Daily Report

Latin America

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FBIS-LAT-89-065 *6 April 1989*

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European Parliament Backs C.A. Counterpart
PA0304162989 Madrid EFE in Spanish 1532 GMT 2 Apr 89

[Text] Cuenca, Spain, 2 Apr (EFE)—European Parliament Vice President Enrique Baron and the Central American vice presidents today pledged in Cuenca (central Spain) to promote the creation of the Central American parliament as a regional forum for dialogue and negotiation.

The international meeting on "The Creation of the Central American Parliament and the European Experience" closed today with the issuance of the so-called "Cuenca Declaration." The declaration asserts that "Central American integration is an unpostponable economic, political, and social need." It also underscores "the need to establish permanent regional forums to hear the Central American nations' demands for a solution through dialogue and negotiation."

The declaration considers the European experience "as a point of reference and a means of support for this constituent process," and the Europeans promised "technical assistance" to the Central American parliament.

The signers of the declaration feel it is necessary to establish "a Central American integration movement" to bring together parties, organizations, and social movements and to enable the creation of "popular awareness" as well as a wider participation by all Central American peoples.

The document urges the Costa Rican Legislative Assembly to ratify the agreement to create the Central American parliament. Costa Rica has shown some hesitation over the agreement to create this Central American forum, which was signed in Guatemala in 1987.

In connection with this point, Costa Rican delegate Rodolfo Alfaro said he feels a majority in his country's Legislative Assembly would ratify this agreement.

During the closing ceremony, Baron urged Central America to take less time to create this parliament than Europe took to establish its own parliament. He hailed the agreements reached at the San Jose V meeting as "a first direct step" toward cooperation between Europe and Latin America.

Representing Central America, Honduran President-designate Alfredo Fortin stressed the need for "political resolve over ideological barriers" and asked that "the funds that now help destroy us be used for Central America's development."

The "Cuenca Declaration" was signed by Baron, Fortin, Salvadoran Vice President-designate Abraham Rodriguez, and Guatemalan foreign policy director Carmen Rosa de Leon on behalf of Guatemalan Vice President Roberto Carpio.

The document was also signed on behalf of the European Parliament by its president, Carlos Maria Bru, as well as by several European Parliament deputies.

Cuba

Final Day of Gorbachev's Official Visit

4 April News Conference

PA0504005889 Havana Domestic Radio and Television Services in Spanish 2218 GMT 4 Apr 89

[Joint news conference given by Soviet leader Mikhail Gorbachev, in Russian with simultaneous Spanish translation, and President Fidel Castro with local and foreign correspondents at the Palace of Conventions in Havana—live]

[Text] [Gorbachev] With our exchange of speeches before the National Assembly of the People's Government, we can say that the substantive part of our visit has ended. However, I must tell you a secret—that is, how our talks with Comrade Fidel Castro have developed. We are constantly holding talks. Wherever we are, we hold talks. This is why we have been able to discuss many matters.

This visit has proven that Soviet-Cuban relations are continuing to expand and grow stronger. Within the context of this visit, we have been able to discuss many matters, and, as Fidel Castro said—and I reiterate—there is complete understanding. This is not just a formal and mutual understanding; it is the kind of understanding that is based on an active exchange and comparison of ideas. I would say that it is the result of great intellectual activity.

We are both pleased with the negotiations. I feel that this event will be of importance not only for Cuban-Soviet relations but also for the whole world. Anyway, I am very pleased with what we have achieved in the past few days.

[Unidentified speaker] If you have a question, please use one of the microphones. Use the microphones to ask your questions because the translators need you to use them. The first question is for the NOVOSTI correspondent.

[Question indistinct]

[Gorbachev] I believe that the 30 years of experience this island has as a result of the option chosen by the people is of great significance for the whole world, especially for the peoples who have chosen the path of independent development and for the developing states of the world. This has been a unique experience. It has been unique because all was built from scratch. Today, Cuba is a country with a consolidated political system and with experience in solving economic problems in this region and under these specific conditions. This experience (?has helped) solve the human and humanitarian problems in fields such as education and health. I think this is very important. I think this Cuban example can influence developing countries.

If we added to this the fact that throughout all these years and with the support of the people, the Cuban directorate has developed a marked and very accentuated progressive policy; has adopted positive stances that promote equality, nonintervention, and the right of the people to choose their own path; has promoted the need for cooperation; has supported the principles of peaceful coexistence; and has spoken up for the countries struggling for their liberation, we would see the overall picture of the influence and role that Cuba has exerted and played and continues to exert and to play. Personally, I would rate this very highly.

[Reporter] This year Nicaragua will celebrate the 10th year of its revolution, a socialist-oriented revolution.

[Unidentified speaker] Ten years of what?

[Reporter] Ten years of a socialist-oriented revolution. I would like to ask Comrade Mikhail Gorbachev why, since he is only 2 hours from my country by air, he has not visited my country, which is also in great need of this presence, and, if in the future he will invite my president, Daniel Ortega, to hold official talks with him in Moscow? I also have a question for Fidel.

[Castro] Who is going to answer the question?

[Reporter] One question for Gorbachev and one for you.

[Castro] Another one for me?

[Reporter] My question for you is as follows....

[Castro, interrupting] You said Comrade Mikhail. Does that mean that you are a member of the Nicaraguan Communist Party?

[Reporter] I am a world communist.

[Castro] How nice. What question do you have for me?

[Reporter] Since we are sister countries, did you also represent Nicaragua in your talks with Mikhail? Did you tell Comrade Mikhail that today, more than ever, Nicaragua needs his solidarity support to defeat imperialism?

[Gorbachev] I will begin. The first thing is that we maintain active relations and conversations with the Nicaraguan leaders. Those relations also include visits, exchanges at the highest levels and at other levels, exchange of information, and exchanges of letters and messages. That is why we say we maintain permanent and active relations with Nicaragua.

Regarding a meeting between Nicaraguan and Soviet leaders, we can say it will take place in the near future. It will be a separate meeting. Nicaragua deserves more than a secondary meeting. In other words, it is not a matter of being challenged to go there because Nicaragua is a people and state that has shown its love for freedom and its courage, and those qualities demand respect for that people and that state and especially for that country's leaders. This is precisely what we are getting at. We have held meetings and there will be other meetings.

[Reporter, in progress]...that you represented us in your talks with Gorbachev, that you were also a Nicaraguan representative?

[Castro] And Gorbachev was also a Nicaraguan representative.

[Repoter] That is correct.

[Castro] The two of us have been Nicaraguan representatives.

[Reporter] That is correct, but what I wish to know is whether it was specifically said that Nicaragua must have more support from the USSR and Cuba now that the imperialists want to destroy Nicaragua.

[Castro] I will tell you something, because I take the question you asked Comrade Gorbachev a little personally. You asked him why he came to Cuba and not Nicaragua? Well, he came to visit us. We may look selfish and it may seem that we want to keep the entire honor of Gorbachev's visit to ourselves. The truth is, I have insistently told Comrade Gorbachev—in previous conversations—to visit Latin American countries. I have defended that cause. Along with my conversations with him about visiting Latin America, many Latin American countries have invited Comrade Gorbachev to visit.

You said Nicaragua has a socialist orientation. I am not sure whether the Sandinists would agree with that. I have never heard them use the term socialist orientation. They talk about a mixed economy, a multiparty system, and a number of other things. But I have not heard them use the term socialist orientation and perhaps they do not agree with you saying that. There are other countries that have in fact talked about a process of socialist orientation. Nicaraguans have not talked about that. And I truly believe, I know, that Nicaraguans want Comrade Gorbachev to visit Nicaragua. I know they want Gorbachev to visit Nicaragua as many other leaders want Gorbachev to visit their countries. I, myself, was thinking—and this is my own.... [changes thought] Cuba already has a special status, because it is a CEMA member, it is a socialist country, it has had links with the USSR for the last 30 years, and Cuba is recognized as a socialist country. If Gorbachev leaves Cuba and visits another Latin American country, the most likely thing to happen would be that he would have a very serious diplomatic problem with another leader. I say this because I, myself, have insisted to him that he should visit other Latin American countries. I want Comrade Gorbachev to tour Latin America so Latin American countries can have the opportunity to see what a Soviet leader looks like. That would help the cause [word indistinct].

I understand it would not be easy to leave Cuba and visit another country because he would then have to visit 10 other countries, and politically speaking, if Comrade Gorbachev had visited Nicaragua, it would have looked like Gorbachev only has relations with Cuba and Nicaragua and not with the rest of Latin America. I answered that question because I took it a little personally.

As for Nicaragua—yes, we have talked about Nicaragua. That is logical. It is impossible to meet with any leader, with any socialist leader and not talk about Latin American problems and especially about the Nicaraguan problems. We talked with the sympathy and spirit of friendship and solidarity with which we always talk about Nicaragua. I believe that to a certain extent Comrade Gorbachev and I have been representing Nicaragua. We must be fair, right? If not, we would be accused of being sectarian.

[Reporter] Comrade Gorbachev, I am from the Cuban television, and I have one question for you please. At the end of your speech, you talked about the need to hold an international meeting....

[Unidentified speaker, interrupting] Please, who is speaking?

[Reporter] I am back here.

[Unidentified speaker] Introduce yourself in front of the microphone.

[Second unidentified speaker] Turn on the microphone.

[Reporter] I am back here. This is the only place I could find a microphone.

[Castro] And who is speaking on that microphone?

[Reporter] I am from the Cuban television, back here.

[Unidentified speaker] [Passage indistinct]

[Reporter] We were asking whether...

[Reporter, interrupting] Last year I visited your country, I was very impressed with what is happening there in terms of the reforms you are introducing in your country, especially glasnost, which I myself experienced as a journalist. I was completely free to talk with people. The situation in my country is extraordinarily [words indistinct] as much as in the rest of the world. You have been presenting new ideas to the world. You have done that in all fields. Now, in Cuba, however, you have not presented anything new, at least not to us. I am not saying Cuba is a Soviet puppet or colony or that you can impose your policy on Fidel Castro, but perhaps you may have made a recommendation or presented something new and fresh, something brilliant like the many other things you have presented. Is there anything in this regard we do not know about and that you have in fact discussed?

[Gorbachev] I would like to say that for us, this meeting with Fidel, with Cuba's supreme leader, has been very important. The socialist world, as well as the world as a whole, is experiencing a period of change. I would say this is a special period. That is how I would describe it. It is very important now that we take correct positions and not choose the wrong path. This is why we say the world is at a crossroads. From this viewpoint, we have had a very intense discussion that has covered the philosophical aspects of today's world as well as its perspectives. In particular, the discussions dealt with how we—the Soviet Union and Cuba in particular, but not just our two countries—must act.

In this respect, we have a total and mutual understanding. We think the world is tired of confrontation. The entire world is facing the challenge of very serious global problems—that is, nuclear weapons, the ecology, and the backwardness or underdevelopment of many countries. This calls for responding and making important decisions; namely, that policies be changed or modified. The policy of force has been totally discredited. It does not have any constructive principles. That is why we must end this period of cold war and usher in a new phase. The fundamental part of our discussion with Comrade

Castro was devoted precisely to this matter. In other words, I took great pleasure in discussing these matters with him. We agree on the need to have new openings in thinking and policy. The best propaganda today is a real policy. The people are tired of deceptions and political charlatanism. People need practical steps to restructure the international situation.

I want to say that we agreed on this point and will act in this direction. The socialist world is also experiencing a period of profound changes. In this respect, you newsmen know there is information that can become disinformation. They say disinformation is a kind of information. However, some use information to express the truth, while others use it to confuse people and prevent them from finding the right answers. That is why, in this respect, there are many changes in socialist countries. Indeed, representatives of the most varied social and political sectors, as well as of other sectors, have done a great deal of serious reflection.

I welcome this. However, in another respect, there is no need for speculation. There is no need for all this speculation that reeks of old mothballs from the time of the cold war. My visit here was preceded by much speculation. It seemed like we were not going to meet with Comrade Fidel Castro as old friends, which is what we truly are, but as enemies. This is a mere fabrication. This is a fabrication. However, there are people who wish that were the case. We have been friends, and today our friendship is broader and deeper.

In principle, this is very significant. For example, show me any two capitalist countries that follow the same course or that have the same policies. No country totally resembles another. No country is a copy of another. Past mistakes, our own mistakes included, were caused because we often tried to copy something, and when there was something creative we would approach it dogmatically and this was harmful. We renounce this approach. We now support our own values and our own brand of socialism. We have said this and the people have reiterated it more than once so everyone will know it and so no one will expect something else from us.

In other words, through restructuring, we are going to improve socialism. That is what we are doing and everyone should know it. And in this particular case, each country solves the problems of its socialist transformation according to its own conditions, according to its level of development, and its political experiences while bearing in mind its traditions, its importance, its role, its incorporation into a certain process, and so forth. This is a very complex logic and that is why there are differences in the methods used by the Sovet and the Cuban leadership.

We are responsible for furthering socialism, expanding its outlook, and displaying the tremendous potential of this regime. The main thing is—regardless of the methods we use—that we try through these means and methods to get the workers, the people, to step into the political arena, to join the political life as the guiding force through democracy, through the new forms of organizing the economy, through the political processes, through glasnost, and so forth. Our conversations have been very serious in this respect.

[Reporter] Jorge Vejar from Peru.

[Castro] Whom do you represent?

[Reporter] [Words indistinct]

[Castro] Ah, from Santiago, Chile. I do not understand why you say that Comrade Gorbachev did not say anything new.

[Reporter] No?

[Castro] But he has just delivered a speech in which he says many new things, interesting, constructive things. It was a great speech. If not, we cannot go around asking for trouble. We believe the speech by Gorbachev was very good. In the second place, concerning the genial aspect of it, I think an expression of the genius of Gorbachev is not to try to come to another country to tell this country what it has to do. That is a manifestation of the genius, which is what I admire the most andI mentioned it in the session today. [applause]

[Reporter] I am from the Cuban television. May I please have a microphone? Cuban television, please. We would like to ask you: In your speech you referred to the need for an international meeting where the north, south, east, and west would be represented to discuss the debt problem and the problems of the international economic system. When and where do you think this meeting could be held?

[Gorbachev] As long as world problems such as the debt, the indebtedness problem, are examined by small groups of seven, three, and so forth, this process will not advance. The problem must be internationalized. This is a problem of the entire world community, and I think we must deal with it on that level in order to examine it. The best place would be the United Nations. I think there is already a possibility, there is a first opportunity, inasmuch as there will be a special session devoted to this issue. However, I continue to hope that the United Nations will create some type of institution that will be in permanent session and that will be willing to make a serious analysis of the situation, and discuss real measures to solve this problem, which I think is one of the most acute problems of our civilization.

[Reporter] Jorge Vejar from Lima, Peru. President Fidel Castro has reiterated his demand for the creditor countries to cancel the foreign debts of the Third World countries. Mr Gorbachev, would the USSR be willing to cancel the Cuban debt?

[Gorbachev] I have talked specifically about our willingness to discuss this, and we have discussed this here. We have agreed to continue our analysis of this so that we can later take specific steps with other countries. We are willing to act, as I have said, at the United Nations.

[Castro] I think I should say something about the problem, for fear someone will think we are advocating the cancellation of Cuba's debt with the USSR. We have had relations with the USSR for 30 years. For 30 years, we have been receiving loans from the USSR. I have

explained that here in Latin America when we have discussed the debt issue. We have never had any financial problems with the USSR, never.

We can say that ever since the early years, our debts—the debts between the USSR and Cuba—were automatically renegotiated. Never did the existence of debt.... [changes thought] They were continuously renegotiated. There was no interest. That is the nature of our relations. The debt never led the USSR to suspend their loans to us. They were development loans. For every 5-year period, we received loans for thousands of rubles on easy terms. I would like the problems faced by Latin American countries with their creditors to be similar to the problems we have with the USSR. Of course, when we present an idea, we do so in general terms, and I believe the USSR also interprets it that way.

However, in view of that question, I feel it is my duty to say that we have never had any financial problems with the USSR. The debt we have acquired for our development has been systematically renegotiated and postponed, and for every 5-year period we have received more loans for development. We are currently discussing the loans we are to receive for the 1990-1995 period. We have dozens of important economic goals that we have discussed with the USSR. If this type of relationship existed between Third World countries and their creditor banks in capitalist countries, there would really be no foreign debt problem. Cuba has never felt the weight of that problem because we have not really experienced that problem. That is the truth and we should say so.

In addition, Comrade Gorbachev cannot forgive the debt by himself. There is a directorate, a party, a state, and other organizations involved.... [changes thought] What a question. What do you want? Do you want to damage the good relations between Comrade Gorbachev and me with that question?

[Reporter] The Chilean political (?situation): Do you think the elections scheduled for the end of the year will create more social equality and democracy in that country? The question is for Fidel.

[Castro] Before the plebiscite, I was sure Pinochet would lose. I thought it was a good opportunity to leave behind that dark period of Chilean history. I am convinced that if the opposition is united, it will once again defeat Pinochet if he is the candidate—I do not believe he can be a candidate. The opposition would defeat any progovernment candidate, there is no doubt about that, just like we did not doubt that Pinochet would lose the plebiscite. I believe the upcoming elections will at least create a democratic period in Chile. It is an important step, without a doubt. I am not yet ready to say the elections will create a period of social justice, because that is something else. However, if there is a democratic opening in Chile, it would be an important step. I support the elections, I support the election process, and I support the unity of all opposition groups. I do not doubt the outcome of the elections. Are you doubtful?

[Reporter] Comrade Gorbachev, I am from Radio Pacifica from the United States. Since your government.... [interrupted by unidentified speaker] Who me? Comrade Gorbachev, I am Ron from Radio Pacifica from the United States. Since your government has signed an agreement with the United States.... [sentence as heard]

[Gorbachev] A Mexican correspondent asked a very important question. I believe I am in Latin America now, and as for which Latin American country I will visit next, it is difficult for me to say now, but it is a fact that we have normal relations with almost all Latin American countries, especially with the larger countries. We value political dialogue and the cooperation that has existed between the USSR and Latin American countries in the past few years. We support the great changes that are currently taking place on this continent.

[Reporter in Russian with simultaneous Spanish translation] We would like to know how the reconstruction process in Armenia is coming along. I also wish to express our willingness, the willingness of the students who studied in the USSR, to go to Armenia and help at any time. We would like you to tell us how the reconstruction in Armenia is coming along.

[Gorbachev] You are aware of the strength of the earthquake that rocked Armenia. You are aware of the number of lives lost as a result of that earthquake. It was a terrible human tragedy. The earthquake claimed thousands of lives. It destroyed thousands of families and devastated several cities and dozens of towns. At this time I wish to express, on behalf of all our people, our sincere gratitude for the enormous support, especially the moral support, we received during those days. That support continues to this day.

The plans for the reconstruction of the area have been drafted. These plans are for the reconstruction of the area at the epicenter of the quake. Our first estimate was that we would need between 8 and 10 billion rubles. However, it now seems we will need somewhere between 12 and 14 billion rubles to carry out these plans. All the republics have agreed to help implement these plans and supply the equipment that will be needed to reconstruct the area in the next 3 or 4 years. We are working at full force. The Politburo commission for the reconstruction of Armenia is doing its job; it is responsible for directing this work. This work will not only be going on in the Republic, but also at the Politburo and at the Soviet Government's highest levels. We are going to do all we can to rebuild the area. At this time we are doing our best to help those who were affected by the earthquake that rocked that area. We are guaranteeing them jobs, children are going to school, and we are doing all that is necessary.

[Odoris] Silvia Odoris, EFE. I have two questions, one for Mr Gorbachev and one for Mr Castro.

Mr Gorbachev, I would like to hear your opinion regarding the Central American conflict, a conflict that does not only involve the five countries of the region—Nicaragua, Costa Rica, El Salvador, Guatemala, and

Honduras—but also Cuba. What role will the USSR, together with the United States, play? Will it play the role of an ambassador? Will it speak on behalf of Cuba and help solve the conflict?

Mr Castro...

[Castro, interrupting] Do you think this is a colony...

[Odoris, interrupting] No.

[Castro] Do you think this is a colony whose foreign policy must be discussed by the United States and the USSR? I have to answer that question because I feel it is my business and that your question is inappropriate unless we resign ourselves to the fact that our decisions are discussed with other countries and not with Cuba. What question did you wish to ask me?

[Odoris] The privileged dialogue...

[Castro, interrupting] The what dialogue?

[Odoris] The privileged dialogue between the United States and the USSR could help...

[Castro, interrupting] What does privileged dialogue mean? Explain that to us because this is a new phrase for us.

[Odoris] That they sit down to talk, Mr Castro.

[Castro] We also sit down to talk.

[Odoris] With the United States?

[Castro] Privileged dialogue. We may not have the privilege of sitting down to talk with the United States, but the United States sits down to talk with many people around the world. I do not know why you use that phrase, privileged dialogue.

[Odoris] Forgive me, it was never my intention to offend you or Cuba.

[Castro] But it was part of your question.

[Odoris] I feel that if there is a dialogue between the two superpowers, the Central American situation could improve.

[Castro] Well, the superpowers have the privilege of being super, but being small is nothing to be ashamed of. If being large is a privilege, I wish we were a large country.

[Unidentified speaker] The superpowers sometimes have the privilege of assuming greater responsibilities.

[Castro] Gentlemen, do you not think you are taking advantage of us? You were present at the National Assembly. You heard Mr Gorbachev speak. You heard my introductory remarks. We have a busy agenda that has to be completed, yet you want to deprive me of the privilege of having more time to speak with Comrade Gorbachev. We have many matters to discuss and very little time. Do you not think you could show some generosity and solidarity and release us from this news conference? It was not easy for us, but we promised to come here and speak to you for a few minutes, 30 minutes. However, more than 30 minutes have passed. Well, you can question me as much as you want. I know it is more difficult to question Comrade Gorbachev. I have fewer problems and less work than Comrade Gorbachev. Therefore, I have more time for you.

For example, today's event was very important. The main issues we discussed during the meeting. You must have heard something newsworthy. Have you sent out reports on today's event? Then what kind of reporters are you? Have you sent out reports? But it was the most important event. This is just the dessert. Therefore, the most important thing has taken place, right? We all agree? [applause]

[Unidentified speaker] We will hear the two last questions.

[Reporter] First, I would like to congratulate everyone, Cubans and Soviets, for signing the friendship treaty. Second, dear Comrade Gorbachev, we would like to hear your enlightened words on the situation in Lebanon. Everyone knows that due to the expansionist policy of Israel and due to the policy of the United States and that of its puppet, the separatist military government that represents the owners of the privileges in Lebanon, the unity of that country is threatened today more than ever. Comrade Gorbachev, do you see any possible solution to the Lebanese crisis in the near future? Thank you.

[Gorbachev] I regard the problem of Lebanon in the context of the situation in the Middle East. I am convinced that we are nearing a stage in which the international solution to the Middle East situation is possible, is real. Also, the representatives of the majority of the states of the world—including the most diverse regions of both the east and the west, as well as the developing countries—support this solution. There are difficulties. There are very particular aspects in Israel's position that cannot be overlooked and that, at this moment, represent the main obstacles. However, inasmuch as this is a matter of undoing this knot, certain proposals have been made that consider the interests of all the peoples of the region—the Arabs and the Israelis, and, of course, the people of Palestine—and that are aimed at solving the problem of returning the land. Other regional conflicts have already been solved; therefore, I think we are on the verge of solving this serious and very old international problem.

Now, in the context of the international situation, the USSR is going to do everything possible to see how it can alleviate the problems of the Lebanese people. It will make use of all possibilities to this effect. Now, the last question.

[Rydnow] I represent Radio Pacifica in the United States. My name is Ron Rydnow. I have a question for Comrade Gorbachev. Since your country proposed world nuclear disarmament, and since you and other countries signed a treaty to reduce the number of weapons, the United States has increased the number of its nuclear weapons, particularly submarine and other types of weapons. The army wants to increase military spending. Thus, it seems to me that perhaps the United States does not agree with your idea of promoting a peaceful world. Could it be that your policy is a bit too idealistic or that you are a bit too idealistic and that the United States is not willing to bring about a peaceful world?

[Gorbachev] When we announced our plan to have a world without nuclear weapons and without violence, we also promoted the idea of eradicating nuclear weapons

by the year 2000. Illusion and utopia were the precise words used to describe our plan. But only 2 or 3 years have passed, and already we have the first treaty to eradicate one class of nuclear weapons. We are also in the process of negotiating a treaty that calls for reducing nuclear weapons by 50 percent. Regarding the United States and the USSR, this process has advanced very slowly; it has advanced slowly.

Finally, we have made some progress regarding chemical weapons. Also pending is the process for reducing conventional weapons and troops in Europe. We also have the Stockholm II agreement on the measures on mutual trust. In other words, 2 or 3 years have passed and those who believed in the possibility of disarmament have been proved right. Those who supported the reduction of both conventional and nuclear weapons and who believed in the possibility of moving from the policy of confrontation and force to a political process based on negotiation have been proved right. Just look at how the world is reacting. The broadest sectors of society are taking part in international politics.

This is the first time such participation has been seen since the war. That is why I believe this process is gaining momentum and becoming more widespread. The possibility of continuing to make progress exists. I also think the U.S. people will demand that their government continue to make progress regarding nuclear disarmament. I am convinced that nuclear disarmament is possible; the main thing is that it is absolutely necessary.

He who assumes the responsibility.... [changes thought] He who avoids, shuns, or uses negotiations and talks to camouflage his plans and frustrate the disarmament process will have a serious load on his shoulders and will be forced to account for his actions to his people and to the world.

Doors, enormous doors have been opened for action. I believe the politicians who have vision will be the ones capable of adopting real policies and taking real steps. This is an urgent need of our times. Those capable of understanding the people's true feelings and reflecting them in their actions will obtain results. Although it will be difficult, this process will continue to gain strength.

Thank you very much. Time is up now. Thank you very much.

Gorbachev Speaks to ANPP

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[Speech by President Mikhail Gorbachev to the National Assembly in Havana; Gorbachev speaks in Russian with simultaneous English translation by commentator Boris Belitskiy—live]

[Text] Dear Comrade Fidel, esteemed members of the National Assembly:

In addressing the supreme governing body of the Republic of Cuba, I would like first of all on behalf of the Soviet people to convey warm fraternal greetings and best wishes to the heroic Cuban people. I heartily appreciate the cordial welcome accorded to me and my comrades wherever we have been able to go here. Many thanks to everyone who has contributed his bit of warmth to this unforgettable demonstration of the solidarity and friendship between our parties, between our countries, and between our peoples.

My visit to this country had to be put off because of the earthquake in Armenia. The terrible tragedy that fell to the lot of the Armenian people gave rise to an unprecedented wave of solidarity: a helping hand was extended to us one might say by the whole world, and among the first to respond to our tragedy were our Cuban friends, who sent the victims of the earthquake what is most precious of all, their own blood. Please accept our gratitude for this manifestation of solidarity.

This is the first time the roads of life have brought me to Cuba. All the greater, therefore, is the impression I have of everything I have seen and heard here, my impressions of the people of Havana—openhearted and friendly; my impressions of various aspects of your life—industrial, political, social. In the Soviet Union we know why the Cuban people rose to make their Revolution, what enabled them to repulse the armed intervention, survive the economic blockade, cope with the persistent and exhausting pressure of their imperialist neighbor. The island of freedom was able to stand its ground thanks to its proud and courageous people, determined to fight for their independence, for their right to live as they see fit. They were able to do so because the Revolution brought to the country's helm a party committed to achieving lofty humanist ideals, ideals of socialism, of serving the people. And, finally, they were able to do this because history had placed at their head one of the outstanding revolutionaries of the 20th century, the legendary Comrade Fidel Castro. [applause]

This year, the communists and all the working people of Cuba, and with them their friends throughout the world, celebrated the 30th anniversary of the day when festively attired Havana welcomed the young heroes who had descended from the mountains and brought their people the freedom they had yearned for.

Thirty years is a significant landmark, a milestone, an occasion to reflect on the path crossed and the significance of the Cuban Revolution.

The Cuban Revolution exerted a tremendous moral influence on world's social thinking in the depressing environment of the 1960's, when force, when the winds of the cold war, raged in the world and when reactionary forces were doing everything to halt social progress and

stifle the national liberation movement, to preserve dictatorial regimes. Your Revolution showed that it is impossible to stifle people's dedication to freedom and justice.

Granma, Moncada, Sierra Maestra, these were words on everyone's lips. Fidel Castro, Che Guevara, Camilo Cienfuegos become idols of the youth and the battlecry of the Cuban revolutionaries: Patria o Muerte—Vence remos [Fatherland or Death—We Will Win] became the subject of poems and songs that were echoed by freedom fighters in other countries. Cuba by its example enabled the national liberation wave to surge to an unprecedented height and its tidal wave shattered the bulwarks of national oppression and humiliation. The Cubans won the reputation of a generous and responsive people, possessing a sense of high internationalist duty in great measure. Your road was not strewn with roses—you had to operate in the most difficult conditions, holding in one hand the implements of work and in the other your weapons. But in these conditions, too, the Revolution displayed its humanitarian aspirations. Everything it had it turned over first of all to children, to the youth, to the health and education of people, and these and other features of the Cuban experience make it original and important as part of the global experience gained in building socialism.

Everyone knows how great were the funds and resources spent by the enemies of Cuba in attempts to reenslave the country, and how many threats, insults, and slanders were hurled at it—and all this in vain. The slogans and accomplishments of the Cuban Revolution which, at the road of revolutionary change, will forever remain in history as a bright page in the struggle of the peoples for a brighter future.

On the side of Cuba were the sympathies and support of millions of her friends all over the world. Cuba relied on the unflagging support of the socialist community and all these years the Soviet Union and Cuba have stood together, and we are proud of this.

The cooperation between our countries, Soviet-Cuban links, have a stable character: they cover practically all the areas of social development; they rely on the principles of equality; are marked by respect for independence, an understanding of mutual rsponsibility, and of the need for internationalist assistance. The record shows that the fundamental importance of these principles is in no way belittled by the differences of approach to this or that problem, by differences arising from distinctive roads to development and national cultures or by the distinctive nature of the tasks facing the two peoples or their international standing. Yes, we have plenty to be proud of. We have accomplished a great deal and above all our peoples are united by a sincere friendship, a deep sympathy, and by a keen interest in each other's affairs and concerns.

From the platform of this National Assembly, I want to state the Soviet Union treasures its friendship with socialist Cuba. Our solidarity, dear comrades, is not subject to fluctuations caused by considerations of the moment. We are prepared to continue developing Soviet-Cuban relations and we believe we have every facility for doing so. We trust that this will serve, that this will be served well by the Treaty of Friendship and Cooperation which we signed today. [applause]

[Text] Our treaty gives enactment to what has already stood the test of time. It opens up new horizons before Soviet-Cuban cooperation in the political, economic, and cultural fields. And this is a good thing. Life does not mark time. Time presents us with new requirements and this applies in particular to economic links. They must be made more dynamic, more effective; they must do more for both our countries, our peoples.

As for today, it is absolutely essential that there be more strictness and discipline so that undertakings assumed can be carried out in good time and with proper standards. We have a common understanding that our joint efforts must be directed in greater measure to satisfy the needs of the people in everything that relates to the social sphere. Natural conditions and the economic complexes built up in both countries make it possible to supplement each other better in several important areas, to realize the enormous potential of Soviet-Cuban relations in every field. That is our common interest and that is worth working for. For example, joint enterprises, firms, research and designing groups, can all be highly effective. We regard as especially promising cooperation in the engineering industry, above all in the production of up to date instruments, radio and television equipment, and household appliances. This could help Cuba take an active part in the division of labor within the framework of the Council for Mutual [Economic] Assistance and in world economic exchanges, Latin America included.

Comrades, we have spoken a great deal in the past few days with Fidel about the specific problems of the situation today. World civilization is at a crossroads. It is so to speak, crossing over from one stage into another. For the present, it is still impossible to predict what its changed image will be like. But one thing is clear. Today only those who are marching in step with the times, who are drawing the necessary conclusions from the changes resulting from the fact that the world has entered an era of high technology, of intellectual labor, of a decisive role of science, can count on success . We are convinced that the potentials which are inherent in socialism are enormous but they are not realized of their own accord. At every historical stage there is a need for a creative assessment of the situation, the framing of a policy meeting the imperatives of the day, and in this we are convinced as a result of own experience. Our great country, its industrious people, who have had to pioneer the socialist path, have had a great influence on world developments in the 20th century. We have built up

powerful industries, our science and technology have an enormous potential; the country has such a precious treasure as a high level of education and the people's professional skill.

At the same time much that has arisen in our society requires serious change. And when we consider this, when we compare our past and the present with Lenin's guidelines, we have realized that our difficulties are due to deformations of the principles of socialism which may be traced back to the distant 1930's. They are due to underestimating people's direct interests, their initiatives—in other words, an inability to make use of the main power of our system, its humanitarian potential. Indeed, why is it that in outer space we perform miracles and in everyday life we are unable to meet the most pressing demands?

Why is it that our progress has grown slower, and how has it happened that in our society there are phenomena alien to socialism: social corrosion, apathy, selfishness? Lenin liked to say that whoever is not able to understand general principles is bound to make mistakes in specifics and wander in the dark.

Life has confronted us with the problem: Either we remain in the old sorrow and run into a blind alley economically and socially—our country would then be pushed aside into the sidestreets of progress—or we must take the road of rejuvenation, give socialism a new quality meeting, the loftiest criteria of humanism and progress. In this is the crux of the course chosen by our party and people, the course of perestroyka.

One of its most important aspects is a radical economic reform whose purpose is to turn the economy to face the people, to change its role in social production. But this relies on the implementation of the socialist principle of distribution according to work, the elimination of social dependence, the transfer of industrial enterprises to cost-accounting, the development of leasing, cooperation, and other economic forms that stimulate people's creative activity.

Among our major strategic problems is the problem of meeting people's current needs. Recently we had a plenary meeting of the party's Central Committee which discussed the development of our agriculture. We think that we were able to formulate an agrarian policy that should make it possible quickly to ensure stable supplies of food for our population. We are changing our structural policy regrouping our means in favor of our light industries, in favor of production of consumer goods, and lately there has been a noticeable increase in the pace of housing construction, although quite a number of years will be needed to satisfy the needs of all in housing.

As we embark on our economic reform, we realize that progress depends on the need to reorganize political institutions; first and foremost we must, in accordance with Lenin's concept, have the party fully serve as a socialist vanguard in society. This is a question also of reviving the soviets as bodies of self-government by the people, establishing a socialist state committed to the rule of law, democratizing all aspects of social life. Finally there must be a greater responsibility of administrative bodies for policy implementation and fulfilling decisions. We are now completing the first stage of our political reform involving a reorganization of our central bodies of government.

We have just had elections which took place in an atmosphere of vigorous discussion, of competition between candidates and their self-criticism; self-criticism of everything that we have done and failed to accomplish. We are now moving toward the first Congress of People's Deputies of the USSR, which will determine the main policy trends at home and abroad and will elect a new Supreme Soviet. In short, we have big changes taking place in our country and whoever follows developments in the Soviet Union or visited the Soviet Union knows how the very climate of social life has changed, how much freer the people, themselves, feel. Our workers, farmers, intellectuals are taking an increasingly active part in political life; they want to take a direct part in solving all the pressing problems of life. This is an encouraging phenomenon, for the main purpose of all our work of rejuvenating society is to enable a person to feel that he is a complete master in production and in the state.

Of course, the political reform in the country is only gathering momentum. Ahead, we have a great deal of work associated with another important trend of our reform: harmonizing interethnic relations, enhancing the powers of the soviet republics, carrying out a judicial reform, and increasing the powers of local governing bodies. But even the present stage of the reform has shown how great a positive charge is inherent in these changes. This is most important of all.

Of course we are not prone to make unambiguous conclusions at this stage. There is maximalism among some people and among valuable proposals; there are some that are controversial, others that are unacceptable. This is understandable. It is due to our lack of experience and political culture, but all that will come.

We see how people are straightening out their shoulders, how their social stature is growing, how they are learning to solve problems in the conditions of democratization and glasnost. This in a nutshell is what we are working on. We do not regard our approaches and solutions as some universal prescription for all. On the contrary, problems may be similar but each party solves them in its own way, guided by its own notions and the specific features of its country.

From these diverse, unstereotyped approaches there emerges the international experience of socialism, which is helping us all to move forward more rapidly, and I agree entirely with what Comrade Fidel said here from

this platform on this very important issue, and a subject on which there is much speculation abroad. As far as the Communist Party of the Soviet Union is concerned, it is carefully studying the experience of the fraternal parties; it seeks to use their experience in our work and of course we highly appreciate the interest and support everywhere for the changes taking place in our country. We fully realize also our international responsibility for the fate of perestroyka. We fully realize that how things proceed in our country will go a long way toward determining the international authority of socialism and its impact on world developments. I would say that we are doomed to succeed in perestroyka. We ave no other road and we have to cope with the enormous tasks facing us and assure profound changes in our society in all its spheres in the course of perestroyka.

Dear comrades, in our day more than ever before, the development of individual countries depends on the international situation. Of course, the influence of this factor is felt by different people differently. Of course, one can name states that are less affected by the changes in the international atmosphere. The Soviet Union and Cuba do not rank among such countries. Whether this is good or bad is a different matter, but that is our lot. Both our states are actively involved in international events and are of course vitally interested in having the international situation be conducive to the solution of our domestic problems which we set before ourselves. Fidel and I have had a profound exchange of opinions on a wide range of problems of an international nature. As in the past, the Soviet Union and Cuba have a common approach to the key problems of international affairs. We are united in our desire for a stable peace, to avert the nuclear threat, to assert the unconditional right of the nations to choosing their destiny, to changing on a fair basis international economic relations. The question of how these aims can be achieved, whether the necessary conditions for this exist without which vigorous efforts and goodwill cannot achieve results—that is the question.

We believe there are such objective conditions in the world. Moreover, in the past 2 years, there has been a break toward making the situation healthier. The skies have cleared somewhat, although clouds continue to overshadow major areas of the international political ground. Forces that are clinging to outdated stereotypes are still evident, and so perhaps for the first time since World War II, we have a managed within a comparatively short period of time to make progress in resolving acute problems that for decades poisoned international affairs.

Impressive achievements have been reached in lessening the nuclear danger, in settling political-military conflicts and in expanding and strengthening trust between countries belonging to different social systems and political alliances. The meetings we've had with many state leaders of Western countries have shown the possibility of further progress in that direction toward alleviating international tensions. It is all the more necessary that the dynamics of thr international process are not in line with the spirit of the times. Threats to humanity, to the very conditions of its existence, persist and have even been growing worse in some respect; that means we have to double and redouble collective efforts to remove the looming tragedy. It means we have to overcome the alienation and concentrate our efforts on tackling vital global problems.

In search of a way out of the current dangerous situation, we have arrived at what has now come to be known everywhere as new political thinking. This concept has developed as a result of a continuously more profound analysis of the international situation, and the generalization of our foreign policy experience and this experience has not been uniform. On one hand we see how difficult it is to secure concerted action with the extraordinary diversity of forces acting in the international arena. Each of them, if we talk about social systems or states, about public movements or political parties, pursues its own ends. They partially coincide and partially they can also clash.

No one, ever, can put a stop to the ideological and political struggle which is a manifestation of a pluralism of interests and convictions. On the other hand, the experience of later years shows that despite the existing contradictions and differences in the world, we have managed to take the hand of the barometer several points to the clear, to an improvement of the international atmosphere. That means that the zone of common coinciding interests is fairly great and can serve as a basis for concerted action on the world scale.

We're convinced that relying on this real interdependence of interests we can and should move further, restructuring the entire system of international relations step by step. For that is needed the political will of all its participants based on a certain philosophy of global human solidarity. The matter is first of all a priority of global human interests. Its recognition of the indisputable fact that on the threshold of the 21st century, the security of each state, in all its aspects—political, economic, ecological, and military—can only be reliably ensured within a system of international security as a whole. That is first.

Second, it's the freedom of choice, it's the inadmissability of diktat and interference in international affairs, recognition by each member of the world community of the legitimate interests of all other countries and the need of settling problems that may crop up as these interests clash through peaceful political means.

Third, it's facilitating development, recognition of the need for common concern for the needy and assistance in bridging the gap between the developed and developing countries, and establishing a new and fair economic order and help to the needy.

Fourth, it's shared responsibility for preserving nature and civilization. It is resolve to do everything to prevent the nuclear catastrophe, to erect a barrier before moral degradation and to ensure the progress of the entire human family.

All these ideas inspired the Soviet plan for a nuclear-free world, secure for all. The plan was put forward in greatest detail in my address in the UN General Assembly in December last year. Those same ideas underlie the many proposals—multilateral or unilateral—by socialist countries of Europe and Asia. These ideas are also consistent with the program advanced by developing countries with Cuba's active participation of a new economic order, disarmament for development, and the initiative of nonaligned and neutral countries of the West and of the socialist international. Of course, the assertion of new thinking in the minds of the world is a complicated and complex matter. Too old, too strong are the traditions and stereotypes and habits of the past. We see how hard it is to digest for some of the Western leaders who time and again slip from recognition of security to recurrences of the policy of strength, to attempts to force their will on others.

Our approach is different. Let every people pursue its own sovereign path, and life itself will show which of these paths is preferable. We believe in the vast potential of socialism. Advocates of capitalism remain committed to their own system, but that didn't serve as a barrier to resolving all the international problems on the basis of common fundamental values regardless of their social system. The most immediate task now is to settle socalled regional conflicts. Analyzing their causes, it's easy to come to a conclusion that they often emerge due to interference from the outside, and attempts to prevent other people from independently making their own choice. These actions are argued as being taken for security reasons, as allusions to political or ideological principles in the form of doctrines. Very well, I would like to state without beating around the bush: We are resolutely against any theories and doctrines justifying the export of revolution or counterrevolution and all forms of foreign interference in the affairs of sovereign nations.

It's only on this basis that the existing regional conflicts can be settled and can be ruled out in the future.

(?Allied) by precisely this approach, the Soviet Union has withdrawn its troops from Afghanistan. Scrupulously to the day, we have complied with our commitments undertaken at the talks in Geneva and we are justified in demanding that a similar approach be displayed by the other participants to the accords. Regretfully, Pakistan—contrary to its commitments—is engaged in direct military interference in the affairs of Afghanistan, depriving the Afghan people of a chance to decide on their own future.

The United States, too, has been inclined to continue meddling in the Afghan affairs. True, those who believed that the Republic of Afghanistan would be dismembered the next day after the Soviet troops were withdrawn have begun to recognize that they failed to take a realistic view of the strengths and possibilities of the Afghan regime. But if they draw a conclusion contrary to that which logically proceeds from the situation at hand, if they step up supplies of arms to the opposition groupings and if Pakistan steps up its interference in order to break the Kabul regime, that could have innumerable negative consequences for both Afghanistan and Pakistan, and for the entire development of the international situation. We're firmly convinced that in this instance the international community can and should display a responsible attitude to the political settlement. The idea of international assistance to the peaceful settlement of the conflict, on the basis of the accords between the sides directly involved in the conflict, is an idea that is currently gaining importance.

We in the Soviet Union believe that the Afghan conflict and way of settling it is a touchstone for all states, for the entire world community. There are other regional conflicts, other regional knots that have to be untangled, and it is very important to display responsibility and a constructive approach will take the upper hand. There has emerged hope for putting an end to another regional conflict in the southwest of Africa. The Soviet Union has been helping the patriots of Angola in their struggle against colonizers and it has not been leaving them defenseless in the face of aggression. And should we not rejoice that the long-suffering country should at last gain peace and security? I would like to make special mention of the heroism of Cuban internationalists who for many years have been involved, have been taking part, in defending the independence and territorial integrity of Angola. Now this noble historical mission is drawing to an end. It is of basic importance that not only Angola's independence has been defended. There have also appeared feasible prospects of writing an end to the infamous legacy of the colonial period, the enslavement of Namibia, whose people will now be able to set up an independent state of their own and join the equal family of African nations. This is going to be a major victory for justice and common sense in international affairs.

Together with Cuba and other countries and members of the United Nations, the Soviet Union is ready to make its own contribution to effect this, to implementing the agreements on Namibia, and on a broader scale to facilitate a final elimination of colonialism and racism on the African continent.

One of the most dangerous regional conflicts is related to Israel's occupation of the Arab lands and the deprivation of the Arab people of Palestine of their right to independence. That region, which is a crossroads of economic, political, and military interests of a number of states has been turned into a storage place of much inflammable material, but not only in the figurative sense. The flames

have already begun to spread from there. I mean primarily the disquieting situation in Lebanon. It would be unpardonable, lightmindedness to believe that such a state of affairs could persist indefinitely in the future. Getting the Middle East knot untangled is in the vital interests of not only direct parties to the conflict—the Arab nations and Israel—but also Europe, (?aligned) quite closely to the region, the United States, and of course the Soviet Union and other socialist countries. That is why we believed and still believe that it is necessary to step up efforts in the interests of a Middle East settlement.

Finally, in the context of recent events, there has emerged the prospect of a peaceful settlement of the conflict situation involving Nicaragua. The agreements reached at a recent meeting of the region's presidents lays a good basis for settling the conflict in Central America. Of special importance were the decisions adopted there to disband the Contra formations and Nicaragua's commitment to democratize life in the country.

The leadership of the Sandinist National Liberation Front has already embarked on many of these measures. They announced elections in the country under international supervision, the dialogue with the opposition has been resumed, political rights of citizens have been expanded, the amnesty decree has gone into effect, and the reduction of Armed Forces and of military spending is being considered. Of course, the normalization of the situation in that country should in many respects depend on the position of the United States and other nations in Central America.

We believe that Washington still clings to its position of strength in assessing the situation, in tackling the situation, in Central America. In this sense, the decision to continue aid to the contras causes concern. We also cannot agree with Washington's statements that give a wrong picture of our relations with Cuba and Nicaragua. Our approach to the solutions of the problems in Central America remains unchangeable. We are for a Latin American settlement of the conflict. We support the efforts of the American states to settle the conflict. We cannot agree with the statement by Vice President quayle, which tends to view the situation in Central America as in the backyard of the United States. Special importance now goes to restraint and to strengthening mutual trust between states.

Fidel Castro and I have discussed the issue, and we are convinced that it can only be solved through political means. Now we have a real chance of ensuring peace and security in the region. One of the most imporant conditions of that is a stop to military shipments to Central America from any region. Supporting the fair cause of the Nicaraguan people, we wish them peace, independence and success in settling the problems that face them.

For me, a meeting with fraternal Cuba is at the same time a meeting with Latin America, an exciting and inimitable continent. The old hasn't yet been wiped off its face, and seats of acute social discomfort, poverty, and economic dependence put brakes on its progress. At the same time industrial giants emerge, democratic processes develop. The voice of Latin American nations sounds ever more clear and strong in world affairs. The contribution of Latin American nations to world (?culture) is growing. Their influence on the formation of the international climate as a whole is expanding.

Lately, the relations between the Soviet Union and many countries of Latin America have been expanding and growing more diverse. I am pleased to recall my meetings in Moscow with the leaders of Argentina, Brazil, Uruguay, and many other political leaders of the continent, and a conversation with the great writer of modern times, Gabriel Garcia Marquez. Our contacts with representatives of business circles, the public, scientific, and artistic professionals are growing.

Favoring greater cooperation with countries of Latin America, the Soviet Union is not looking for any political or military and strategic benefits in the Western Hemisphere. We believe that that continent, just as all the others, should not be an arena of confrontation between East and West. We see in Latin America a weighty factor of contemporary world development, able of making a tangible contribution to progress toward a better world. Such is our general approach. To pursue it further, I would like to say just this: The Soviet Union is for strengthening the nonnuclear status of Latin America, on the basis of the Tlatelolco Treaty in support of setting up a zone of peace and cooperation in South Atlantic, [as heard] and similar zones in Central America and the Caribbean, and the Pacific Coast of South America.

Should Latin American countries come up with an initiative to convene an international conference to work out concerted measures ensuring the observance of the status of such zones, and invite permanent members of the Security Council or other countries outside the region, we are ready to take part.

The Soviet Union has no, and does not intend to have, naval, air force or missile bases in Latin America or deploy nuclear or other weapons of mass destruction there. We call on other countries to be guided by a similar approach to facilitate turning Latin America into an area of dependable, stable, peace and cooperation. We wish to build our trade and economic relations with countries of Latin America on the basis of justice and mutual benefit. For that we can use both traditional and new forms of partnership, including contracts with existing regional economic organizations. Alternatives of social development should not be in the way of removing alienation between states, both on the regional plane and on a global scale.

Humanity will soon be marking 500 years since Colombus discovered America. As is known, the [word indistinct] of the great Genoan first cast anchor at the shores of Haiti and Cuba, and his journey lasted 3 months. The progress of communications cut this time down to a few hours, and news of events in the Western Hemisphere get to other parts of the world with the speed of lightning. But perhaps even more important is the fact that victory over distance is doing away with alienation, affecting an intensive exchange of material and spiritual values, and the association of peoples divided by cultures.

The world community is increasingly less like a vessel divided into separate compartments. In this connection I would like to share another idea with you. There is a growing gap between a group of economically developed and developing countries. Among them there are the so-called new industrial giants and various...[corrects himself] and some of the poorest nations of the world. There are countries in the grip of debts and others relatively prosperous thanks to revenues from oil and tourism. These differences are substantial, but now I would like to dwell on another point. It's that the gap between the developing countries as a whole and—that is four-fifths of the entire humanity—and a small group of nations possessing modern technology continues to expand. One cannot say that nothing is being done to remedy the situation.

The Soviet Union and economically developed countries of the socialist community have for many years been actively supporting developing countries in creating their own industries, in preparing national personnel, and resolving other (?current) problems. In New York, at the General Assembly, we tabled a far-reaching proposal on the issue of debts, whose adoption would ease the burden of the debtors and somewhat open up the blood vessels of the world economic and financial system. We believe that the understanding of the need to resolve this problem is going to increase in the developed countries of the world, in the developed countries of the West. A great role is to be played in this matter by the Nonaligned Movement—which encompasses countries of the world that are so different by their economic performance and by their social and political characteristics. The United Nations has also been taking energetic measures in the framework of its (?decades) of development. The issue of coordinating separate efforts rendering them systematic and purposeful (?now seems) the practical plane. In other words, instead of conducting dialogues between North and South, or between East and South, we suggest that representatives of all parts of the world get together in the name of this noble aim. Let North, South, East and West together give a thought to the strategy and development, [as heard] taking into account that additional resources for assistance can be tapped if the process of disarmament is further pursued and made more profound.

Dear Comrades, these days we have been convinced yet again that the affections of Soviet people and Cubans are mutual. Meeting blue and white collar workers and researchers, meeting people at official talks and in the streets of Havana, we have always felt we are amid real friends. Let Soviet-Cuban friendship grow stronger; let the cooperation between our parties, countries and peoples grow more profound. We wish you success in action on your policy of rectification, on your plans of economic and social development and improving the life of the peoples. We wish happiness and prosperity to the brotherly people of Cuba. [applause]

Castro on Gorbachev's Visit

FL0504192389 Havana Tele-Rebelde Network in Spanish 2300 GMT 5 Apr 89

[Report on interview with President Fidel Castro Ruz by GRANMA reporter Nidia Diaz at the Jose Marti International Airport in Havana on 5 April]

[Text] Commander in Chief Fidel Castro spoke to the press shortly before the aircraft in which the highest Soviet leader Mikhail Gorbachev was traveling took off.

[Begin recording] [Castro] In the morning, the Soviets asked us, in deference to Gorbachev, that we come in a covered vehicle because the morning is somewhat cool. Now they have to make a long trip. They have to go to England. They did not want to take the risk that he would catch a cold. The people from their own delegation asked us this. So, we decided to come in a covered vehicle.

Logically, the people were expecting to see the uncovered vehicle. He was trying to say good-bye to everyone but the people did not realize it because they were expecting the uncovered car. They did not realize that we were traveling in the covered car. On behalf of Gorbachev, the Soviet delegation, and myself, I would like to ask people to excuse us because of this. I know they were mobilized; there was great enthusiasm since early in the morning to wait along the route the motorcade took.
[Reporter] We know the people are going to understand. Commander, we would like to take advantage of this moment for you to tell us the last impressions of Comrade Gorbachev after the address to the Assembly...
[Castro, interrupting] Everything went very well until the last moment.
[Reporter] After the meeting with the journalists and after the assembly meeting?
[Castro] Everything went well, until the last second, until the sad moment of the farewell.
[Reporter] According to our estimates, Gorbachev was in Havana for 63 or 65 hours.
[Castro] Yes.
[Reporter] I think it was 63 hours and 15 minutes.
[Castro] More or less, a little more than 60 hours. Two days and a little bit, and a night. [corrects himself] That is, 2 days and 3 nights.
[Reporter] Did you agree on a future visit to Cuba and the Soviet Union?
[Castro] Well, we have talked about everything. Of course, he extended me an invitation and insisted on this. I have to wait for the right time. I told him that, in

any case, I preferred to pay a working visit rather than an official visit because official ones involve a lot of protocol events and one has to take time for that. I like working visits better.

[Reporter] Commander, as we read in the paper, he was very interested in the family doctor program.

[Castro] He was interested in everything. He was interested in everything. [repeats himself] He was interested in the family doctor program, the social minibrigades we saw building housing, and the research centers. He caught on to everything very fast. This is why I was trying to get the comrades to not make very long explanations because he catches on very fast, immediately.

[Reporter] Then, can you characterize this visit as ....

[Castro, interrupting] As historic, excellent, excellent.

[Reporter] I believe this will silence all the campaign....

[Castro, interrupting] I was with him all the time. That is, during all the tours, everywhere, and at the receptions. We were invited to a dinner at the [Soviet] Embassy last night.

We talked a lot. He was truly very happy. He was very happy, very joyfull, very satisfied until the last moment. He regards our people very highly. He was praising our people a lot. When we were coming over in the motorcade and he saw the people, he wanted to say good-bye. He made very pleasant and friendly comments about our population.

[Reporter] There goes the plane.

[Castro turns, waves, as the plane is heard taking off] There goes the plane.

[Reporter] Commander we do not want to.... [rephrases] We know these have been a very busy 63 hours for you.

[Castro] Thank you very much. These days have also been filled with hard work for you.

[Reporter] No, no. The work has been for your and his benefit and for the information for all the Cuban people.

[Castro] Thank you very much.

I also talked with the television people explaining the matter of the medal. It was something that was agreed with them. I said they want to establish a style. They believe the decorations were abused. There was a time in which the honor of decorations was abused. They strongly oppose it and are trying to avoid decorations as much as possible. So, considering this, we took into account their wishes. We did not want to put pressure on this.

[Reporter] I believe, as you say, it has been a historic visit for all our people. Everyone was waiting to see his charisma, his reactions, because in a way we received the type of campaign that had been going on abroad, it has been a great experience for all of us.

[Castro] Of course, it was a great defeat of all the intrigues against relations between the USSR and Cuba. [end recording]

Failure To Decorate Gorbachev

FL0504225589 Havana Tele-Rebelde Network in Spanish 1700 GMT 5 Apr 89

["Statements" made by President Fidel Castro Ruz and CPSU General Secretary Mikhail Gorbachev to reporters at the Gorbachev residence in Havana on 5 April—recorded; broadcast in progress]

[Text].... [Castro] He just asked me about the matter of the Order of Jose Marti. I had planned to talk about this, to explain that Gorbachev deserved that medal— he is most worthy of that order— but we knew, we are familiar with the Soviet leaders' belief that they should not receive decorations because they feel that in the past, other leaders have abused this privilege. We therefore respected this position, which, moreover we share. We respected this. We did not exert any pressure in that direction, because we know that is how they feel.

This needs to be explained, because some people will say that it is very strange that the Order of Jose Marti was not given to Gorbachev.
[TV reporter] Well, Cubans clearly know that this was done out of respect for the Soviet policy.
[Castro] Yes, but it should be known.
[PRENSA LATINA reporter] It is clear, but it has not been published. It is an interesting matter.
[Castro] I was going to talk about that, but because I was concerned yesterday with keeping my address brief, some things went by.
[TV reporter] Yes, and afterward, the news conference was very disorderly.
[Castro] It was crazy, but after all, the essential things had already been said.
[TV reporter] Exactly. There was nothing to add.
[Castro] The news conference was actually just a courtesy, an act of deference.
[PRENSA LATINA reporter] I think it was intended to give an opportunity to everyone, because not all the reporters had been at every event, and there are so many important journalists. I believe that there have never been so many foreign journalists in Cuba to cover a visit.
[Castro] No, not even for the nonaligned meeting.
[TV reporter] The initial number was 540, and yesterday it had increased to over 600, and that included only foreign newsmen. This did not include foreign newsmen who are permanently stationed here, or local newsmen.
[Castro] There were a lot of U.S. newsmen, in great suspense about the relationship between the USSR and Cuba.
[PRENSA LATINA reporter] They were full of speculation about possible confrontations.
[Castro] I think Gorbachev might even have felt when he arrived.... [pauses] that contact with the press. [as heard] A newspaper says there had been great suspense, but everything was very clearly defined.
[PRENSA LATINA reporter] I think that was due to the fact that there were no questions in that regard, because you and Gorbachev had already spoken. The treaty had been signed, and everyone was familiar with its content.

[TV reporter] The atmosphere, the climate, and the image were very sincere [fehaciente]. More than words, there was that warm, frank, pleasant, cordial atmosphere. There was also that first impression right here, as he arrived deeply moved by the open, spontaneous welcome.

[Castro] Were you here?

[TV reporter] Yes, we almost didn't have to ask him anything.

[Castro] You were here at the entrance?

[PRENSA LATINA reporter] Yes.

[Castro] Waiting here to catch Gorbachev? What news services do you represent?

[TV reporter] My comrade is from PRENSA LATINA and I am from Television Cubana.

[Castro] And you have your people here?

[TV reporter] Yes.

[Castro] I am happy to be able to explain this matter of the medal.

[Video shows Castro, Gorbachev, Mrs Gorbachev and Politburo member Vilma Espin posing for photographs]

[Castro] We are a few minutes behind time.

[Reporter] Can we ask a question?

[Castro] Just one question, to be asked by those who interviewed us on our arrival.

[Reporter] I would like to hear your impressions.

[Gorbachev, in Russian with simultaneous translation into Spanish] I believe that the visit has been a very significant event, and not just for us, because our dialogue, our talks, our exchanges with Comrade Fidel Castro have covered all the basic questions of world policy. Considering that world public opinion is listening to the voices of Cuba and the USSR, I believe that these days, and what we said to our peoples and the entire world make a serious contribution to the positive processes that are facing difficulties and encountering resistance from reactionary forces. However, the doors are opening toward a better world, toward peace. With our eyes wide open, we can look everyone in the eye, because we are defending a generous cause and that has been the basic topic of these talks.

We will continue this talk, but with Mrs Thatcher.

[TV reporter] Comrade Gorbachev, through Cuban television's international broadcasts, we can send a greeting from you to the Soviet people. You are now going to have your last encounter with the Cuban people, who will follow you to the airport. What is your farewell message to the Cuban people?

[Gorbachev] I repeat what I said before. To us, Cuba and the Cubans are brothers, our closest friends, to whom we are linked by very firm and close ties in line with the ideals of socialism and of the revolution. In this phase of deep-rooted changes in Cuba under your present leadership, I wish that the achievements of the Cuban Revolution on this island will be increasingly profound and firm.

Meetings Termed 'Milestone'

FL0504203289 Havana Radio Reloj Network in Spanish 1932 GMT 5 Apr 89

[Text] Commander in Chief Fidel Castro and Soviet leader Mikhail Gorbachev became the focal point of the ties of principles that have a special magnitude in contemporary society. The two leaders also contribute to the imposing of mutual respect and understanding on dogmatism.

The basis of the new type of communication, which was shown during Gorbachev's visit, is the respect to choose your own path and understanding, and that the gaps that divide humanity must be everyone's worry, stresses PRENSA LATINA.

The 4 days of talks and public appearances are not verbal, because there are some smiles worth a 1,000 words. This made the meetings between Fidel and Gorbachev a milestone on the path to global harmony.

The ones who were greatly frustrated with this meeting were those who filled their news broadcasts with the vain hope of seeing the Soviet-Cuban ties crumble.

As the Gorbachev visit transpired, the people who still thought that the relations between a powerful country and a small one should be a relationship of dependence, began to quiet down.

The sensationalistic reports on the expected differences, sour discussions, or frowned foreheads had to give in to reports of greater importance, even though the reporters who suddenly lost their interest on the visit did not express this view.

Gorbachev and Fidel not only agreed on the major matters of global interest, such as peace, the foreign debt, and regional conflicts, but they also showed maturity on the analysis of particular matters of each country and the promising road of relations between both countries.

The meeting in our country of the Cuban and Soviet leaders imposed dialogue and respect for each country's path to intolerance and dogmatism.

Relations of 'Strong Nature'

FL0504210789 Havana Radio Reloj Network in Spanish 1947 GMT 5 Apr 89

[Text] Mikhail Gorbachev's visit to Cuba showed the strong nature of the Soviet-Cuban ties and the falsehoods of the alleged contradictions between the leaders, said a Soviet Foreign Ministry evaluation.

Soviet spokesman, Yuriy Gramitski, said in Moscow that, as a result of the talks between Gorbachev and Commander in Chief Fidel Castro, the exchange of experiences between the communist parties of both nations will intensify in the near future.

The Treaty of Friendship and Cooperation signed in Havana constitutes the legal basis for bilateral relations and reaffirms what time has already proven. It also offers the opportunity for cooperation in numerous fields, said the official.

In the talks, added Gramitski, there was an expressed satisfaction for the state of Soviet-Cuban cooperation, and it was decided to increase its effectiveness, and it was reaffirmed that friendship does not depend on circumstances.

The evaluation by the Soviet Foreign Ministry shows that a great deal of attention was given to the international situation, a subject on which agreements were noted, as well as President Fidel Castro's support for the new political thought promoted by the USSR.

The spokesman for the Foreign Ministry of the USSR said that Gorbachev highly values Latin America's increasing importance in international matters. In this sense, the secretary general of the CPSU said in our country that in the continued development of cooperation with Latin America, the Soviet Union is not looking for strategic, political, or military advantages in the Western Hemisphere.

Minutes before the end of his visit to Cuba, Gorbachev said, in a message to the people of Cuba: I would like to wish you, in this time of profound transformations, very much success. The roots laid by the Revolution on this island will grow stronger.

Doubt on Relations Dismissed

FL0504214689 Havana Radio Reloj Network in Spanish 1953 GMT 5 Apr 89

[Text] It has been very good that the leader of the USSR, Mikhail Gorbachev, came to Cuba because it has eliminated a doubt that existed throughout the western world, said a journalist of the Spanish publication CAMBIO 16.

The differences that we expected to see in the talks between the Soviet leader and Cuban President Fidel Castro did not happen. On the contrary, they showed a profound respect for the internal policies of each country, stressed Roman Rozco to Radio Reloj.

Susan Stentahl, of the U.S. press agency UP, told our station that she now sees the relations between Cuba and the USSR as being stronger.

However, John Lichtok of the U.S. newspaper BALTIMORE SUN, was skeptical when talking to Radio Reloj. He even said he was sorry he did not see those discrepancies he had hoped to see between Cuba and the USSR.

Official Visit Concludes

FL0504234189 Havana Radio Reloj Network in Spanish 2332 GMT 5 Apr 89

[Text] The president of the USSR's Presidium of the Supreme Soviet, Mikhail Gorbachev, has arrived in London's Heathrow airport. He was being awaited by British Prime Minister Margaret Thatcher.

Before his visit to London, Gorbachev had a productive 3-day visit to Cuba. This visit included the signing of a 25-year Treaty of Friendship and Cooperation, which reaffirms the indestructible ties between Cuba and the Soviet Union.

Waving flags of both countries, all of Cuba, represented by the people of Havana, said farewell to Gorbachev and the delegation that accompanied him. The people were lined-up along the road to the airport from which he would leave for London.

Next Friday, after a luncheon which will be given by Queen Elizabeth, the Soviet leader will return to the USSR.

Comparison of Gorbachev Speech to ANPP

PA0604013989

Havana Cubavision Television in Spanish at 2005 GMT on 4 April broadcasts a recording of Mikhail Gorbachev's speech to the People's Government National Assembly, ANPP, on 4 April. The Havana Cubavision version has been compared with the Moscow TASS International Service in Russian version published in the 5 April Soviet Union DAILY REPORT, page 42, and found to be identical, with the following exceptions:

page 42, column two, paragraph two, last sentence, Cubavision version reads: ...arduous pressure from the imperialist enemy. [new paragraph]

The freedom island...(rewording)

page 44, column two, paragraph two, last sentence, Cubavision version reads: ...part in resolving political and practical problems. [new paragraph]

This is...(supplying additional words)

page 45, column one, second line, Cubavision version reads: ...to the success of perestroyka. We have no other road; we must cope with the enormous tasks facing us and make certain there are profound changes in our society in all its spheres to make the policy of perestroyka a reality. [new paragraph]

Dear comrades, the...(supplying additional words)

page 48, column one, paragraph three, last sentence, Cubavision version reads: ...and stable peace. [new paragraph]

We wish to build...(omitting words "and cooperation")

New Group of Combatants Arrive From Angola

FL0504121189 Havana Tele-Rebelde Network in Spanish 1100 GMT 5 Apr 89

[Text] A new group of internationalist combatants arrived victorious to the fatherland last night from the People's Republic of Angola. The combatants [words indistinct] Angolan airline.

They were received by Jose Ramon Machado Ventura, member of the Communist Party of Cuba [PCC] Politburo, and Division General Senen Casas Regueiro, alternate member of the PCC Politburo and first vice minister of the Revolutionary Armed Forces, as well as other leaders of the party, state, and chiefs and officers of the Armed Forces. [Video shows soldiers getting off the aircraft and shaking hands with officials.]

Over 20 of the combatants had the Cuito Cuanavale Medal pinned on their lapels and three had the Calixto Garcia Medal; 61 others were conferred the Internationalist Combatant Medal, first class.

A group of enthusiastic Camilitos were also at the air terminal and greeted the soldiers with slogans and cheers.

With this group's arrival, the gradual withdrawal program of our troops from the sister African nation continues.

Fighting in North Namibia 'Out of Control'

FL0504220089 Havana Radio Reloj Network in Spanish 1935 GMT 5 Apr 89

[Text] The confrontations which have been going on since 1 April in north Namibia between South African troops and SWAPO [South-West African People's Organization] forces continue with great intensity and have spread to the west, said the Namibian police.

The last reports to come from the area of confrontation indicate that the South African Army sent three of its battalions against the Namibian SWAPO combatants. This has caused the situation to get completely out of control.

Today in Windhoek, witnesses of the fighting between the South African Army said that they saw numerous bodies and that dozens of houses and fields were completely on fire and destroyed in north Namibia.

The last report citing the number of victims in the fighting between South African troops and SWAPO forces was over 200, most of them of the Namibian organization.

Increasing Tension in Namibia

FL0504230089 Havana Radio Rebelde Network in Spanish 2300 GMT 5 Apr 89

[Text] South African authorities have deployed some 3,000 troops of the South-West Africa Territory Forces to northern Namibia, where violent fighting continued today between the SWAPO and the police, according to the Angolan news agency ANGOP. Four Impala military airplanes of the Pretoria regime's Air Force have also been sent to the area.

These measures, taken a few days after the implementation of UN Security Council Resolution 435, will cause tension to escalate and will endanger the UN plan for the decolonization of Namibia.

UN Official To Discuss Situation

FL0604011089 Havana Television Service in Spanish 0000 GMT 6 Apr 89

[Text] Joint UN Secretary General Marrack Goulding has begun in Luanda, the Angolan capital, intense meetings on the recent events in Namibia.

The official has already had talks with the Angolan Government and with representatives of SWAPO. The UN envoy is in permanent contact with the secretary general of that organization, Javier Perez de Cuellar.

According to PRENSA LATINA, tranquillity reined in Windhoek, the Namibian capital, while in the north, the border area with Angola, the encounters between South African troops and SWAPO guerrillas continue.

The UN forces in that African territory are busy trying to put an end to the armed clashes that violate the cease-fire that has been in effect since 1 April.

(Marti Antisari), special UN representative in Namibia, travelled to the battle area. However, no further details have been given on this.

The French Press Agency quotes a declaration made by SWAPO in which they say they are ready to put an end to the hostilities and send their representatives, along with the UN Transition Assistance Group, UNTAG, to the combat zones.

The independent organization's communique says that the conflict broke out when their combatants were lined up to await instructions from the UNTAG and were attacked by Pretoria's Army.

Dominican Republic

Government Protests Presence of Haitian Officers

FL0604013689 Havana Radio Rebelde Network in Spanish 2335 GMT 6 Apr 89

[Report by Altagracia Paulino from Santo Domingo Tele-Antillas in Spanish—live relay]

[Text] Dominican Deputy Foreign Minister Fabio Herrera Cabral has said that the presence of mutually hostile Haitian military groups in the country is a source of concern to the government because of the threat they pose to the maintenance of peace and harmonious relations between the two countries. The increased presence of Haitians of different persuasions, affiliations, and political positions could give rise here not only to a problem with the Haitian Government that we have to avoid, but also among ourselves, the official said. He added: We do not want to become involved in the struggles of political groups from other nations.

The official's comments came in response to protests from political and cultural groups and the public, which has expressed, through the media, their opposition to the hospitality that has been extended by the Dominican Republic to Haitians who have fled that country for some reason, mainly officials who are linked to horrible crimes in the neighboring country.

This morning, television newscasts and newspaper editorials criticized the fact that Henri Namphy is still in residence here, as is Romaine, who is accused of machinegunning a church last November. As for the individuals who attempted a coup last weekend, although news dispatches claim they have left and although the authorities say that they were in the Dominican Republic only in transit and that they came across the border, townspeople and even some media allege that those military officers are in an apartment in a residential sector of Santo Domingo.

As usual, the public, that is, most people, are not taking the coup in Haiti too seriously, because such movements do not lead to definite conclusions. Instead, antagonistic groups, primarily from among the military who have long oppressed the Haitian people, are fighting among themselves for power in the poor, neighboring country.

Haiti

Further Reportage on Attempted Coup

Dessalines Statement on Avril

FL0504153189 Port-au-Prince Radio Metropole in French 1412 GMT 5 Apr 89

[Text] Four soldiers wearing olive green uniforms who claim to belong to the Dessalines Barracks—one of whom is a captain who has refused to give his name—came to our studios a few minutes ago to make the following statement: We cannot confirm or deny this piece of information.

These soldiers guaranteed the protection of journalists for today and made a rendezvous with us in front of the Dessalines Barracks at 1130 [1530] this morning—for it seems, according to them, that there is going to be a meeting of the members of the Armed Forces at that time. Here is the statement.

[Begin unidentified speaker recording, in Creole] Everyone knows that Saturday [2 April] night there was a coup d'etat against President Avril. The coup failed.

The reason the coup was effected is that President Avril is discharging officers and enlisted men from the Haitian Armed Forces for no reason at all.

Now, as far as we know, there is a normal legal procedure that should be followed in order to discharge an officer or an enlisted man, because the officer or enlisted man is human. He might commit some violation or make some mistake, but you cannot just fire him in this manner. You must give him a chance to defend himself. In order to rule on the case, you must form an investigating committee, and the committee must research the matter. You have to prove, showing evidence to the officer, that he is at fault. Once you have done this, you can make any decision you want about him.

So the fact that President Avril just decides like that the fate of an officer or enlisted man means that the Army has no guarantees at all. Thus a factory worker has much more [job] security than a member of the Armed Forces, because if a factory worker is fired, the union can rise up and say no, they don't want him fired.

Whereas Avril says he is combatting corruption, actually he is making it official—because according to reports we have, every Friday, he distributes $30 to the palace soldiers, and $150 to the men responsible for the heavy equipment [anjen lou yo]. That is why when he was arrested, these men were obliged to be in solidarity with him—because every Friday, he gives them money.

Thus, Avril's (?plan) is simple. Here's what he wants: to eliminate all the good officers [officiers de valeur], all the officers capable of countering any of the decisions he might make. So, automatically, what will happen as soon as he eliminates these officers? He will have no obstacles before him. His objective is to elaborate, or at least set up, an iron regime, a dictatorship. So, since he will have no obstacles, he will be free, automatically, as soon as he has eliminated all these officers, to realize his ambitions, you see?

Therefore, we members of the Jean-Jacques Dessalines Battalion, have been (?nervous wrecks) [sur le qui vive] for almost 3 years now, and today we (?are determined to put an end to this)—that is, we are taking all the measures necessary to put an end to this.

Thus, we are asking Avril—if he doesn't want a lot of blood to flow, if he doesn't want a direct clash between members of the Haitian Armed Forces—to, as soon as he hears this message, take all the necessary measures to leave the country.

Thus, what we ourselves are asking is.... [changes thought] We do not want another military president! Because, on the political scene for almost 3 years now, we have had military president after military president—and not a single one of them has been able to solve the crisis. What we are asking for is a civilian president.

Since we cannot set up a civilian president right now, we ask that the president of the Court of Cassation come to act as interim president—and that he restore the Constitution in its entirety, and that he hold elections after a few months.

So, Avril, as of today, it is all over! [end recording]

We remind listeners that these statements come from four soldiers dressed in olive green who claim to be from the Dessalines Barracks—one of whom is a captain who refused to give his name. They came to our station a few minutes ago to make the statement you just heard.

We can neither confirm nor deny this report.

These soldiers promised to protect journalists for today, and gave us an appointment in front of the Dessalines Barracks at 1130 [1530 GMT] this morning—because, according to their statement, it seems there is a meeting of the members of the Armed Forces.

Demand Avril's Resignation

PA0504154589 Paris AFP in Spanish 1515 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr (AFP)—The Jean-Jacques Dessalines Battalion is demanding the resignation of General Prosper Avril, president of the Haitian military government, blaming him for the death on Monday of several soldiers from the Leopards Corps, a member of that corps told AFP by telephone today.

"We are protesting against the death of our brothers-in-arms. As for us, we would never fire against the presidential guardsmen, because they are our brothers and they are suffering just like we are. However, he (Avril), who is responsible for those deaths and this disgrace must go and allow us to live as brothers," the soldier said.

"We are expecting an answer from the presidential guardsmen," he added. At 0945 local time, there was a great deal of tension at the Dessalines Battalion garrison, the second largest unit in the country comprising 900 men, after the presidential guardsmen unit, which has 1,100 men. The Dessalines Battalion occupies buildings adjacent to those occupied by the presidential guardsmen inside the presidential palace. [passage indistinct]

Officer Threatens Action

FL0504203389 Port-au-Prince Radio Antilles Internationales in Creole 1723 GMT 5 Apr 89

[Interview with unidentified officer of the Dessalines Barracks by Antilles Internationales reporter in front of Dessalines Barracks in Port-au-Prince on 5 April—monitored in progress]

[Excerpts] [Begin recording] [Officer] ...that we ourselves do not want division. We don't want division, and wouldn't like a direct clash between the members of a single organization. [Words indistinct] what we want is to avoid such a confrontation. In order for this clash not to occur—since it is imminent—Avril must go away.

[Reporter] (?And if Avril doesn't) go away within the deadline you have set here, what are you people of the Dessalines Barracks going to do?

[Officer] All the tactical military dispositions have already been taken. As (?of) this declaration we are making, if Avril doesn't go away, we will automatically take action.

[Reporter] Did you give him an ultimatum?

[Officer] Yes, as of the minute he (?hears this) declaration. Avril says he is combatting corruption. It is normal for him to do this, normal for him to discharge officers; however, under the general regulations in the Haitian Armed Forces [FADH] manual, there is a particular way to discharge officers, a legal procedure to be followed. [passage omitted] So we ourselves say that as of today, this kind of thing is finished. We don't want Avril to do this kind of thing.

[Reporter] Commander, we have learned that many other people were discharged in connection with the officers' being involved in drug trafficking. Do you have any comments to make on this?

[Officer] Well, up to the present, you can't say that the person is involved in drug trafficking, because he has never been caught with drugs. Thus, these are assumptions. [passage omitted] That is the way Avril is proceeding. You point your finger and say: Colonel so-and-so is involved with drugs. Avril takes up his pen and writes: Discharged. [passage omitted] Now, that is not the way people should be discharged. [passage omitted] So don't believe this business of Constitution [words indistinct] at all. Avril does not want to hold any election! He is eliminating the people who can prevent him from realizing a dictatorship. (?It is he himself who would like) to restore the regime. [passage omitted]

[Reporter] I see you are accompanied by many soldiers. I would like to know if this decision is the entire battalion's decision.

[Several voices respond simultaneously] Yes. The entire battalion. And not just the battalion's decision, but the decision of the entire Army. It is the Army that (?is convinced that Avril must go). [passage omitted]

[Reporter] All right. Thank you.

[Officer] [Passage omitted] We have no quarrel whatsoever with the civilian population, so upon seeing soldiers in the streets, they need not worry, because soldiers have not received instructions to fire upon them.

[Reporter] I would like to know what your position is vis-a-vis the Leopards' camp, at present.

[Officer] We are very much in solidarity, because one of the reasons we have taken this initiative is the fact that the sector that is on Avril's side, shot at—or at least killed—four members of the Leopards Corps. [end recording]

Voila! Those were soldiers from the Dessalines Barracks battalion, who are demanding the departure of General Avril. According to these statements you just heard—statements made to the press this morning in front of the barracks (?by) these soldiers, they are protesting the deaths of four of their comrades, and they are demanding reparations for these men. They say, furthermore, that the president-general is continuing to discharge, in an arbitrary manner, Army officers and noncommissioned officers.

It should be noted that this movement, orchestrated by the Dessalines Barracks, comes after several high-ranking Haitian Army officers were discharged yesterday.

Communique Appeals for Calm

FL0504164689 Port-au-Prince Radio Nationale in French 1613 GMT 5 Apr 89

[Communique issued by the Ministry of Information and Coordination in Port-au-Prince on 5 Arpil—monitored in progress]

[Text] ...that the military government of General Prosper Avril invites the population to exhibit greater serenity, so as not to play into the hands of those who want to stir up a wind of panic throughout the country.

The government deplores the lack of sobriety of certain radio stations, which have with indulgence and complicity relayed certain alarming statements—forgetting the responsibility they have to the public.

The Haitian Government hereby makes a serious appeal for calm and moderation. It invites the media to show proof of greater discipline and rectitude, which are indispensable components of the building of democracy.

[Dated] Port-au-Prince, 5 April 1989

[Signed] Directorate of Information of the Ministry of Information and Coordination

[Communique is repeated in Creole] The Ministry of Information and Coordination informs that the military government of General Prosper Avril invites the population to remain calm and not listen to the rumors of panic circulating in the country. [passage omitted]

Presidential Guards 'Faithful'

PA0504183589 Paris AFP in Spanish 1804 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr (AFP)—A presidential guard interviewed by AFP on the telephone, said today that the presidential guards remain faithful to General Prosper Avril, president of the Haitian military government.

"We are waiting and remaining calm like good soldiers should do, and we are prepared to respond to any provocation," the officer said. Approximately 15 soldiers from the Jean-Jacques Dessalines Battalion (900 men)—reportedly representing a "generalized movement by the Army's lower-ranking personnel"—demanded the head of state's departure from the country.

Four Presidential Guard armored vehicles were positioned in front of the palace where Gen Avril is staying with General Herard Abraham, acting commander in chief of the Army, according to several sources.

Tension prevailed in the Haitian capital today. The downtown area was deserted and businesses were closed, but no shots were fired.

'Condition D' in Effect

FL0504183489 Port-au-Prince Radio Nationale in French 1800 GMT 5 Apr 89

[Monitored in progress]

[Text] ...the Haitian Armed Forces that Condition D is in effect.

Consequently, it orders all officers, noncommissioned officers, and enlisted men in active service to report to their posts immediately, by order of Major General Herard Abraham. It is signed by Andre Jean-Pierre, Adjutant General.

[Memorandum is repeated in Creole] Haitian Armed Forces Memorandum:

The Army General Headquarters of the Haitian Armed Forces informs all members of the Haitian Armed Forces that Condition D is in effect.

Consequently, all officers, noncommissioned officers, and enlisted men in the Army at present are hereby ordered to return immediately to their posts.

By order of Major General Herard Abraham.

This memorandum is signed by Andre Jean-Pierre, adjutant general, Haitian Armed Forces.

Government: 'State of Emergency'

PA0504184989 Paris AFP in Spanish 1836 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr, (AFP)—An official source in the Haitian capital today reported that the military government headed by General Prosper Avril has proclaimed a state of emergency in Haiti, and placed the Armed Forces on maximum state of alert.

Avril Reportedly Not in Country

PA0504185589 Madrid EFE in Spanish 1832 GMT 5 Apr 89

[Report by Michel Lamisere]

[Excerpt] Port-au-Prince, 5 Apr (EFE)—Soldiers of the Jean-Jacques Dessalines Battalion have demanded the ouster of Haitian President Prosper Avril, who has managed to overcome a second coup attempt, according to military sources.

During the night, heavy shooting was heard in the vicinity of the presidential palace in Port-au-Prince.

Soldiers of the Dessalines Battalion aired a message over Radio Metropole demanding that Avril, whom they do not recognize as president, leave the country. They also ordered the people to stay in their homes, which prompted the stores that had opened for business to immediately close their doors.

The military government today asked the people for "calm and moderation."

Members of the Dessalines Battalion, which is the second largest military force in Haiti with 1,000 men under the orders of Guy Francois, clashed last night with the Presidential Guard.

So far no more has been learned regarding the clash, which is the second since the aborted attempt to oust Avril on Sunday.

Sources close to the family say that President Avril is out of the country, but this has not been confirmed due to the silence that the presidential palace has maintained regarding the recent violent incidents that have once again shaken this Caribbean nation, which shares the island of Hispaniola with the Dominican Republic and is the poorest nation in the Western Hemisphere. [passage omitted]

[EFE at 1848 GMT adds that "President Avril has barricaded himself in the National Palace, which is being defended by a very small contingent of troops."]

Avril Institutes Press Censorship

PA0504194989 Madrid EFE in Spanish 1932 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr (EFE)—In view of a new eruption of violence in Port-au-Prince, the Haitian Government today decreed a state of emergency and instituted press censorship.

The military government has ordered all units of the Armed Forces to remain on a state of maximum alert.

De facto Haitian President General Prosper Avril has announced that only government-authorized information can be disseminated.

Radio Soleil Questions Censorship

FL0504200389 Port-au-Prince Radio Soleil Network in Creole 1830 GMT 5 Apr 89

[Monitored in progress]

[Text] ...throughout Haitian territory. Radio stations and the press in general are not supposed to report information other than information signed or authorized by the military government. According to this communique, the Haitian Government once again appeals to the patriotism—the love we have for the country—and to the sense of responsibility of all citizens in order to avoid having the land of Petion and Dessalines once again trampled underfoot.

However, for our part, we have some comments to make about this communique. First of all, regarding this state of emergency, we have not yet received that decree here, and it has not yet been published. No one knows what is in it. (?We point out that) the president and the ministers are supposed to sign the decree. A communique cannot take the place of a decree.

Second, the communique does not explain why the state of emergency has been declared. What reasons do they give for it? They don't say exactly what the state of emergency means for the citizens—that is, what is it that citizens have a right to do and what do they not have a right to do?

We think that until we receive this decree, we will continue to report the news normally.

'State of Emergency' Continues

PA0504202589 Madrid EFE in Spanish 2004 GMT 5 Apr 89

[Excerpts] Port-au-Prince, 5 Apr (EFE)—The Haitian military government today decreed a state of emergency throughout the national territory and ordered the Army to be confined to the barracks in a state of maximum alert. [passage omitted]

Violence erupted once again in Port-au-Prince today and clashes are taking place between the Jean-Jacques Dessalines Battalion, led by Guy Francois, and a small contingent of the Presidential Guard. [passage omitted]

The Dessalines Battalion has occupied one sector of the capital in which the U.S. Consulate, the General Hospital, and the Schools of Medicine and Law are located.

Members of the Presidential Guard, who support Avril, maintain control over the area in which the National Palace, the police headquarters, the Palace of Ministries, and the Plaza of the Heroes of Independence are located.

Radio Liberte announced that one civilian was wounded today close to the presidential palace. [passage omitted]

A group of youths also staged a demonstration in support of the Dessalines Battalion soldiers and likewise called for Avril's ouster. [passage omitted]

Nationwide Curfew Declared

PA0504220889 Paris AFP in Spanish
2148 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr (AFP)—It was officially announced this afternoon that as of today [5 April], the Haitian military government has imposed a nationwide curfew from 1900 to 0600.

'State of Maximum Alert'

PA0504235489 Paris AFP in Spanish
2307 GMT 5 Apr 89

[Text] Port-au-Prince, 5 Apr (AFP)—The Haitian military government decreed a curfew today in the Port-au-Prince metropolitan area from 1900 to 0600 (2300 to 1000 GMT) while General Prosper Avril was coping with an Army rebellion.

Earlier this afternoon, the government had declared a state of emergency, which imposed censorship, and a state of maximum alert for the Army, whose members were ordered to return to their posts.

In the decree establishing the state of emergency, the government accused a "small group opposed" to the establishment of democracy and to the policy of fighting against drugs and contraband.

The decree also attacked certain political groups residing in Haiti and abroad who are trying "to divide the Armed Forces through all means."

Late in the afternoon, the powerful, 900-man Jean-Jacques Dessalines Battalion, "(?which was demanding)" the resignation of the president, and the 1,000-man Presidential Guard, which was "willing to defend" President Avril, were not changing their stands.

However, none of the two bands, restricted to their quarters in the downtown area, had [words indistinct].

About 100 demonstrators who were gathered in front of the Dessalines Battalion garrison located behind the National Palace, voiced their [words indistinct].

Late in the afternoon, [words indistinct] the armored vehicles of the Presidential Guard, (?armed with machineguns), took positions on the Palace gardens.

"The government controls the situation," the interior minister (?said). [passage indistinct]

Military Rebellion 'Worsened'

PA0604045789 Paris AFP in Spanish
0423 GMT 6 Apr 89

[Text] Port-au-Prince, 5 Apr (AFP)—The military rebellion against General Prosper Avril, president of the Haitian military government, worsened tonight when the Leopards Corps gave support to the Jean-Jacques Dessalines Battalion, leaders of last Sunday's coup attempt.

A large detachment from the Leopards Corps arrived by truck to support the soldiers of the Dessalines Battalion, who are demanding Gen Avril's resignation.

A member of the Leopards Corps told AFP that they had rejected some money that the military government had offered.

An AFP reporter was able to observe that when the curfew went into effect late this afternoon, the situation in Port-au-Prince between the military supporters and opponents of Gen Avril remained deadlocked. The garrisons of the two groups are just a few meters apart from each other in downtown Port-au-Prince.

The 900-man Dessalines Battalion closed ranks behind their commander Colonel Guy Francois and demanded the resignation of Gen Avril, who is supported by the Presidential Guard, which has 1,100 men supported by armored vehicles.

The rebel soldiers, wearing helmets and green fatigues and carrying assault rifles, control the streets near the Dessalines barracks and are roaming some of the city's streets in private cars.

Meanwhile, the Presidential Guard is barricaded inside the palace and four armored vehicles remain near the vehicles that are lined up on the lawn in front of the palace.

The 1900 curfew ordered by the government is not really being respected. The Port-au-Prince police seemed to remain neutral and are limiting themselves to their usual duty of protecting lives and property.

Haitian radio stations are not respecting the state of emergency measures that tried to force them to broadcast only information cleared by the authorities; they continued to air their normal newscasts.

Rene Theodore, secretary general of the United Party of Haitian Communists, called on the various factions of the Army to accept the mediation of the political parties in an attempt to find a negotiated solution to the crisis.

Theodore said that if confrontations occur, "national sovereignty will be endangered." His views are also shared by Victor Benoit, who is responsible for the KONAKOM, National Council of Democratic Center Left Movements.

Further on Coup Attempt

LD0604085389 Paris Domestic Service in French 0600 GMT 6 Apr 89

[Text] After a failed coup attempt in Haiti, the state of emergency was again reinstated in Port-au-Prince. The curfew was declared in the capital. These exceptional measures were taken as a result of an attempt to again topple the incumbent government by part of the Army. Lenar Freschenbach phoned General Avril who is in his presidential palace. Listen to what he has to say as he explains the current situation in Haiti:

[Begin Recording] [Avril] We are clean. We do not want to give our support to activities such as drugs, cocaine, which were freely available in the country. I have been fighting against all this.

[Freschenbach] Have you asked for the help of the international community?

[Avril] I have constantly done so since coming to power because if I had been given the necessary support, if I had received the help of the CCR [expansion unknown] I would not be in that situation because a number of conscripts who are now dissatisfied and have taken to the streets.... [changes thought] It is not because the policy of General Avril does not suit them, it is rather because they say: I have not done anything for them. And why did I not do anything for them? Because I haven't got the resources to do so. Of course, I have asked for international aid; failing this we will never be able to get things moving again; failing this we will never be able to establish a democratic regime in Haiti. [end recording]

Costa Rica

Arias Discusses Meeting With President Bush

PA0504225689 Madrid EFE in Spanish 2042 GMT 5 Apr 89

[Text] Washington, 5 Apr (EFE)—Costa Rican President Oscar Arias said today before leaving for Canada that he is "more pleased and optimistic than ever" because the U.S. Government headed by George Bush "sincerely" supports the Central American peace efforts and has ruled out the idea of militarily overthrowing the Sandinists.

Arias held a news conference today a few hours before leaving Washington, after meeting with President Bush, top U.S. Government officials, and Republican and Democratic congressional leaders.

For the first time in the last 2 years, the Presidents of the United States and Costa Rica praised and supported each other, something that did not happen during the Ronald Reagan administration.

Arias said the new U.S. policy toward Central America, the result of a pact between the government and Congress, "totally agrees" with what the five Central American presidents agreed upon in Esquipulas II and El Salvador.

The president added he was "extremely proud and pleased" with the U.S. Government's decision to give the Nicaraguan "contras" based in Honduras a total of $45 million during the next 10 months for medicine, food, and clothing and for their voluntary return to Nicaragua or their relocation to third countries.

Moreover, Bush described Arias as a "valuable and necessary ally" in achieving peace in Central America and democratizing Nicaragua.

Arias also supported the request made a few days ago by Bush to top Soviet leader Mikhail Gorbachev to suspend the supply of weapons to the Salvadoran guerrillas and to pressure Cuba into doing the same.

Contrary to Bush's view, however, the Costa Rican president believes the Esquipulas agreement "does not prohibit" the USSR or any other country from "militarily supporting the Central American governments, but it does prohibit them from giving support to rebel forces."

Arias said, however, that he was disappointed by Mikhail Gorbachev's statements at the Cuban Legislative Assembly yesterday, where Gorbachev said he opposed exporting revolutions by force and defended the search for peaceful and diplomatic solutions to the Central American conflict.

"I was expecting to hear a stronger commitment to peace in Central America from Gorbachev. The United States has said it will not help the contras militarily, and they (the USSR and Cuba) have not said they would stop helping the Salvadoran guerrillas. His offer is important, but it is not enough," Arias said.

The Costa Rican president denied he had changed his position regarding the U.S. plan, since it includes "incentives" to persuade the "contras" to return to Nicaragua, because it includes economic assistance for those wishing to return.

As for the statements made by U.S. Secretary of State James Baker, who said that if the Nicaraguan Government does not comply with the agreements, the United States might decide to rearm the rebels, Arias said: "I will not be the ally of anyone wishing to renew military aid to the contras. I have maintained a firm and categorical position regarding that, and I believe it is something of the past."

"I prefer to be more optimistic, which I am feeling today—because we have the sincere support and good faith of the United States for the Esquipulas peace agreement. In the past, they said one thing and meant another," Arias said.

The president said he had told Baker that Costa Rica is not willing to receive the contras who refuse to return to Nicaragua, as "we already have over 200,000 refugees." He added that the United States and other countries of the hemisphere "should open their doors."

What most concerns him now, Arias said, are the technical problems regarding the elections in Nicaragua, "a country without an electoral registry and identification documents, a country in which it is still unknown who will vote."

During his meeting with Bush, Arias asked for his support to solve the Costa Rican foreign debt problem, estimated at $4.6 billion, one of the largest per capita debts in the world. Of this amount, Costa Rica owes $1.6 billion to private banks. Arias said the U.S. President promised to help.

Arias announced that the next Central American presidential "summit" will be postponed until June because of Salvadoran President Jose Napoleon Duarte's "health" problems. This will allow his successor Alfredo Cristiani to attend because he will be sworn in as president on 1 June.

"I hope Cristiani will have the courage to sit down and negotiate with the Farabundo Marti National Liberation Front guerrillas, and I hope the latter will show more flexibility than in the past," Arias said.

El Salvador

Rebels Threaten Judges, ARENA Leaders

PA0504213589 Panama City ACAN in Spanish 2022 GMT 5 Apr 89

[Text] San Salvador, 5 Apr (ACAN-EFE)—Salvadoran rebels today threatened judicial branch officials and leaders of the ARENA, which triumphed in the last elections, and held them responsible for releasing the members of a gang that had kidnapped several millionaires.

In a communique released today, the Juan Castro rebel command blamed the Supreme Court of Justice and ARENA for the release of eight members of the kidnapping gang.

Several high-ranking officers and ARENA followers were freed by a judge on 31 March. Several politicians said the release made evident the "frailty" of the Salvadoran judicial system.

The Supreme Court of Justice suspended Judge Hector Larios, who gave the order to release the men. However, the order has already been revoked by another judge, who is now handling the case.

The urban commandos' spokesman, who read the communique over a local radio station, said: "The judicial structure of the current regime has turned the release of the kidnappers, who are financed by ARENA, into a political gamble."

Since the founding of ARENA early in 1980, its leaders have been linked to the rightist death squads, which have been held responsible for the deaths of thousands of Salvadorans in the past few years.

The judicial resolution that ordered the release of the eight men, who are involved in kidnappings, car theft, and arms possession, has elicited angry protests from government, professional, and business sectors.

President-elect Alfredo Cristiani of ARENA yesterday said the judicial scandal provoked by the release of the kidnappers intended to belittle his visit to Washington tomorrow, where he will meet with President George Bush and congressmen.

The urban commandos' threat brings to mind the warnings of the Farabundo Marti National Liberation Front [FMLN] to judicial officials, which in the past 7 months led to the resignation of more than 100 judges in cities and municipalities of the country's interior. In addition, nearly 100 of a total of 262 mayors resigned after they were threatened with death by the rebels.

Judge Dismissed for 'Judicial Corruption'

PA0504155889 Panama City ACAN in Spanish 1702 GMT 4 Apr 89

[Text] San Salvador, 4 Apr (ACAN-EFE)—El Salvador's Supreme Court of Justice has relieved Judge Hector Larios of his duties as judge and notary because he ordered the release of a band of alleged kidnappers.

The new judge, Ricardo Mejia, overturned the ruling to release the eight people accused of kidapping at least six wealthy Salvadorans in the early 1980's.

Supreme Court Chief Justice Francisco Jose Guerrero announced Larios' dismissal and suspended his license to practice law. "Based on a review of Larios' irregular ruling, one can conclude that his behavior is unbecoming an official worthy of the Supreme Court's trust. We are dismayed by that judge's conduct," he noted.

Moreover, Mejia overturned the ruling ordering the release of Orlando Llovera Ballet, Lieutenant Isidro Lopez, Major Alfredo Jimenez, and other members of the kidnapping ring.

Larios decided on Friday to release the members of the kidnapping ring, which included some Army officers and sympathizers of the rightist Nationalist Republican Alliance (ARENA), which won the 19 March presidential elections.

"This is the first time the Supreme Court has levied this kind of sanction in a case, setting a precedent in judicial corruption," a court official asserted, referring to Larios' dismissal. Larios is also accused of releasing members of a drug trafficking ring some years ago.

Because the ruling on the kidnappers was overturned, "the case goes back to the lower courts," the new judge said.

The kidnappers, some of whom have been under arrest since April 1986, were accused of kidnapping several businessmen for large sums of money.

Larios's ruling in favor of the kidnappers prompted a bitter reaction from government, political, and professional sectors. The National Ad Council, representing news media announcers, has urged that the kidnappers be prosecuted to the full extent of the law "so that those who profit from the suffering of others are punished."

Reportage on Recent FMLN Attacks, Activities

Attacks Summarized

PA0504224489 San Salvador Radio Cadena YSU in Spanish 1200 GMT 4 Apr 89

[Text] The FMLN has increased its attacks in recent hours. Last night, FMLN guerrillas destroyed the local offices of the National Administration for Telecommunications [ANTEL], the justice of the peace, and the local municipal mayor in the town of Nueva Guadalupe in the eastern department of San Miguel.

In the attack, the rebels destroyed several vehicles of the (Fariton) Company, which is building a section of the road linking Chinaneca and San Miguel City.

Area sources reported that military units stationed in Chinaneca were attacked with rifle and mortar fire. The attacks, which began at approximately 1100, lasted over 5 hours, without causing any property damage to the military installations.

It was also reported that early this morning National Guard members defused several bombs that FMLN rebels had placed in various areas of Chinaneca City.

It was also said there was no information reporting any Army, rebel, or civilian casualties as a result of the clashes in Nueva Guadalupe and Chinaneca, San Miguel Department.

The Armed Forces Press Committee [Coprefa] reported that Belloso Battalion troops clashed with FMLN guerrillas near Los Girones hamlet, Suchitoto Jurisdiction, in the central Cuscatlan Department. Six rebels were killed. Coprefa reported that Belloso Battalion troops dismantled an FMLN camp on El Timbo Hill near Suchitoto.

Meanwhile, FMLN rebel columns early this morning entered San Marcos Lempa, Usulutan Department, and kidnapped several San Marcos Lempa residents. The FMLN destroyed ANTEL offices, leaving San Marcos Lempa without communications. San Marcos Lempa is located 80 km east of San Salvador. The FMLN harassment began at 0100 and lasted 2 hours.

Salvadoran 6th Infantry Brigade troops, who guard various positions on the bridge over the Lempa River, repelled the FMLN attack. Air Force units bombed several cantons [words indistinct] San Marcos Lempa and Tierra Blanca.

In addition, FMLN units harassed National Guard positions in Tejutepeque, Cabanas Department, early this morning. Official sources told Radio Cadena YSU this morning that the rebel harassment, described as a routine harassment operation, did not result in any Army, rebel, or civilian casualties.

FMLN columns entered Jutiapa Municipality, Cabanas Department, and harassed military positions there. According to a Coprefa report, no casualties were reported after this incident.

Another report states that at least six firemen are still trying to clear the debris left by a large fire that began at a textile factory in Soyapango Jurisdiction this morning. Textile industry sources said the fire began at about 0100, and the National Police are already blaming FMLN urban commandos for the fire. The Tastee Freeze ice cream factory is located on the 7-1/2-km marker on Army Boulevard near the Diana food factory. As you may recall, FMLN urban commandos yesterday destroyed three factories located on the 23-km marker on the road leading to La Libertad Port, Zaragoza Jurisdiction.

Official sources reported that in the last few hours Navy Infantry Battalion [name indistinct] killed two FMLN rebels and wounded two others during clashes that took place at La Palanca Canton, Jucuaran Jurisdiction, Usulutan Department, approximately 147 km east of San Salvador.

It was also reported that Evangelina de Hernandez was wounded when an explosion occured at a Credisa Bank building in Soyapango.

Coprefa has also reported that Atlacatl Battalion troops clashed with FMLN guerrillas at Los Pozos hamlet, Nueva Trinidad Jurisdiction, northern Chalatenango Department. There are no reports confirming whether the clashes resulted in any casualties.

Military sources have also reported clashes in Ciudad Barrios, eastern San Miguel Department, early this morning. Coprefa said there were no casualties as a result of those clashes.

Civilian sources reported clashes in Osicala in the northern part of Morazan Department. We cannnot confirm whether the ANTEL offices there were damaged because all communications with Ocicala have been cut off.

The local military headquarters of Las Cruces Canton, Chalchuapa Jurisdiction, Santa Ana Department, were also destroyed during a guerrilla harassment operation there.

Car Bomb Near Barracks

PA0504233389 Panama City ACAN in Spanish 2232 GMT 5 Apr 89

[Text] San Salvador, 5 Apr (ACAN-EFE)—Salvadoran guerrillas have reported that today they set off a car bomb near an artillery barracks that killed several people and wounded others.

The artillery barracks is located 45 km west of San Salvador.

However, an artillery officer who declined to be identified told ACAN-EFE that the car bomb failed to cause any Army casualties but injured a motorcyclist and damaged the barracks' roof and windows.

The FMLN claimed responsibility for the attack and reported killing several people and wounding several others.

The attack was perpetrated by FMLN members after an unidentified group hurled grenades at two private homes and after the rebels destroyed two commercial trucks in the capital.

The FMLN urban commandos, who increased their attacks against military positions, banks, and factories in the past few hours, also claimed responsibility for the attack against the artillery barracks.

Rebels Issue Communique

PA0604015389 (Clandestine) Radio Venceremos in Spanish to El Salvador 0036 GMT 6 Apr 89

[Communique issued by the FMLN General Command on 5 April; place not given]

[Text] Whereas:

1. Since the election results were announced, ARENA and its groups have practically begun ruling the country. ARENA controls the judicial and legislative branches and economic and military power. In addition, it is decisively intervening in the Executive Branch. Overall repression has increased considerably. The country is experiencing a state of terror and tension that is greater now than what has existed during the last few years.

2. ARENA is clearly implementing policies to eliminate leaders and members of the people's movement and of the democratic forces before taking power in June in order to terrorize the people.

In view of this:

1. The FMLN warns ARENA that it will not tolerate more repression of the people. The actions carried out by our forces in the last few hours, such as the sabotage of firms belonging to ARENA leader Armando Calderon Sol; the Harrison firm; La Cruz coffee mill; and others, which resulted in millions in damage, as well as our military actions carried out on the evening of 4 April and the following morning, are clear warnings to ARENA. Every repressive action will lead to an overwhelming response from us.

2. We call on the people not to be intimidated and to fight repression.

3. We call on all our military units to prepare to increase their actions against the oligarchy, ARENA, and the Armed Forces.
FMLN General Command, 5 April 1989

4-5 Apr Actions

PA0604035289

[Editorial Report] Clandestine Radio Venceremos to El Salvador in Spanish at 0000 GMT on 6 April broadcasts a 45-minute report on a nationwide operation called "The Combative People Respond to a Wave of Repression."

It states that FMLN units attacked a police post in Quezaltepeque, La Libertad Department and that "on the evening of 4 April, FMLN units attacked a Military Detachment No 4 company position in Cacaopera; there were 13 casualties as a result of heavy clashes that lasted until 0100." The report adds that on "at 0600 on 5 April, columns of guerrillas and militiamen simultaneously began actions in Jucuapa, Chinameca, and along the Pan-American Highway." The report states that other FMLN units "occupied Nueva Guadalupe, San Miguel Department, between 0030 and 0400 on 5 April, but the enemy never showed up." The same report states that other FMLN units harrassed a National Guard garrison in Jucuapa and that an FMLN detachment occupied a stretch of the San Isidro-San Simon highway in Morazan Department. The report adds that FMLN units clashed with Army troops in La Ceiba, Carolina, and inflicted one casualty.

The report goes on to say that "at 0500 on 5 April, guerrilla units entered (Lislico), La Union Department, in broad daylight and held a political rally with the people." It adds that other guerrilla units "occupied Nueva Esparta, north of La Union Department, on 5 April and held intensive political activity."

The same report states that on that same day, "guerrilla units attacked and dislodged with grenades and rifle fire a section of Oromontique Battalion in El Castano Canton, Jiquilisco Jurisdiction, inflicting five casualties on 6th Brigade troops." It adds that another militia unit attacked a position in San Marcos Lempa, occupied it, and completely destroyed the ANTEL office; "the enemy sustained one confirmed casualty."

The report adds that "at 0100 on 5 April, guerrilla units attacked Leon Battalion troops at Ciudad Barrios Penitentiary, San Miguel Department; 3d Brigade troops fled in disarray and sustained two casualties." The report states that "at 0600 on 5 April, FMLN units successfully carried out a sudden attack against Victoria Battalion units belonging to Military Detachment No 2 at (Saleras Hill), Jutiapa, Cabanas Department. As a result, the company sustained 14 casualties and the rest fled in complete disarray." It adds that "also on 5 April, we attacked national police positions on the outskirts of Tejutepeque, Cabanas Department."

The report states that at 2020 on 4 April, FMLN guerrilla columns surrounded a command position of the 4th Company of Tehuacan Battalion belonging to the 5th Infantry Brigade in El Tortuguero, Santa Clara Jurisdiction, San Vicente Department. It states that "preliminary reports indicate Tehuacan Battalion sustained 13 casualties, including an officer, a corporal, and a radio operator." The report adds that an M-16 rifle, 18 military knapsacks, and ammunition were seized.

The report states that on the same day "at 0115, a guerrilla unit attacked a National Guard position in the northwestern area of San Ildefonso, San Vicente Department; the National Guard sustained three casualties."

The same report states that "at 1120 on 5 April, guerrilla units ambushed an armored vehicle belonging to the Cavalry Regiment traveling along the Pan-American Highway near El Sitio, Apastepeque Jurisdiction. As a result, we inflicted six casualties on the Army and the armored vehicle was completely destroyed."

The report adds that "the FMLN carried out an incursion in Concepcion Quezaltepeque, harrassed Military Detachment No 1 troops, and blew up (?three) power towers in that town in Chalatenango Department."

Army troops sustained a casualty caused by a mine in (La Calitosa), Jucuaran Jurisdiction, according to the radio. It adds that "on 4 April, Marine Battalion units lost two men to mines in Agua Frias, Jucuaran Jurisdiction."

The report states that "a guerrilla unit clashed with a Bracamonte Battalion group at San Carlos farm, (Nejaca), serously wounding one of the enemy with rifle fire. He was identified as a corporal of that battalion."

It reports that "on 4 April, a guerrilla unit clashed with a Soriano Company belonging to the 1st Brigade in (Lomas de Remo), Guazapa Jurisdiction, inflicting five casualties with mines and one casualty with rifle fire; the casualties were evacuated by Air Force helicopters." The report adds that a guerrilla unit also blew up two power towers.

Finally, the radio says that "at 1000 on 5 April, a guerrilla unit wounded a Belloso Battalion soldier with a mine in (Los Artigas), Palo Grande, Suchitoto, Cuscatlan Department."

Banks, Neighborhood Bombed

PA0604044989 San Salvador Canal Doce Television in Spanish 0302 GMT 6 Apr 89

[Excerpts] FMLN urban commandos carried out a wave of dynamite attacks in various San Salvador areas last night, resulting in the partial destruction of nine banks.

The attacks took place simultaneously at about 1930, causing considerable property damage at most of the banks. The sabotaged banks include two banks in Santa Tecla City; one near Jose Simeon Canas University, where several sites near Atlacatl Bank were partially destroyed; two others in San Jacinto neighborhood; one on Roosevelt Avenue; one across from San Jose de la Montana Church; and three others in downtown San Salvador, all which were partially destroyed.

Mortgage Bank President Arturo Leyton condemned the attacks and described them as vandalism that harms the Salvadoran people:

[Begin recording] [Leyton] [Word indistinct] terrorist actions against [words indistinct] the banks.
[Reporter] Can you give us an estimate of the losses?
[Leyton] I believe we had losses of approximately 50,000 to 100,000 colones.
[Reporter] At what time did the attacks take place?
[Leyton] At approximately 1930.
[Reporter] No one has claimed responsibility for the attack?
[Leyton] No, no. [Words indistinct] the bomb and thank God there were no casualties.
[Reporter] What was the [word indistinct] color?
[Leyton] The security guard told me it was white. [Words indistinct] [end recording]

In addition, an unspecified number of power towers were blown up in various parts of San Salvador. It was also reported that other banks located in Soyapango were attacked, although the number of banks was unspecified. The attacks, however, did not result in any casualties.

Using a new type of attack, FMLN urban commandos placed bombs in various parts of Campestre neighborhood today, wounding one person.

As part of what can be considered a new FMLN attack strategy, two people were wounded as a result of bomb attacks in Campestre neighborhood. At approximately 1307, a bomb was placed at the main entrance of house no 10 in Campestre neighborhood, seriously wounding lawyer Carlos Ernesto Mendoza, partially destroying two nearby vehicles, and damaging the house itself. [passage omitted]

A few minutes later, a similar action ocurred only a few blocks away. A bomb was placed at a furniture maker's house. [passage omitted]

There were no warning telephone calls in any of the cases, and the people who were attacked asserted that they are not at all involved in politics. The victims called on their attackers to reflect and refrain from carrying out those actions.

In addition, FMLN rebels detonated a car bomb near the 1st Artillery Brigade headquarters in San Juan Opico, wounding one civilian.

The guerrillas used two trucks as car bombs. The trucks had been previously stolen here in Opico City. Only one of them exploded, without inflicting any casualties or causing any property damage at the military installations, although one civilian who was passing by on a motorcyle at the time of the explosion was wounded.

Colonel Miguel Vasconcelos, 1st Artillery Brigade commander, said the truck that did not explode was abandoned 2 km away from the military installations, while the other was driven by a youth who pretended to be having mechanical problems with the car. [passage omitted]

One of the vehicles was a yellow Toyota truck with license plate no 67910, which had been stolen at Mexicanos on 3 April. The truck had 10 catapults and 10 TNT charges covered by plants. The other vehicle, which was

a green truck with license plate no 104311, had a similar dynamite charge and had been stolen on 3 April near John Paul II Avenue. This truck was completely destroyed.

Col Vansconcelos described the attack as a desperate propaganda action, asserted there is no reason to conduct such actions, and said they are carried out by people who reject peace.

The damage caused by this attack was minimum, but we have to point out there has been an increase in guerrilla actions against military garrisons, private businesses, and public offices. In only 2 days, four factories have been burned and two military garrisons have been attacked.

Guatemala

URNG Claims Attack on U.S. Army Helicopter

PA0504191189 Panama City ACAN in Spanish 1805 GMT 5 Apr 89

[Text] Guatemala City, 5 Apr (ACAN-EFE)—The Guatemalan National Revolutionary Unity [URNG] said today that it had attacked a U.S. Army Chinook helicopter that was aiding the Guatemalan Armed Forces in their counterinsurgency fight in the northeastern part of the country. At this time, the Guatemalan Army has neither denied nor confirmed the guerrilla report.

According to the guerrillas, the U.S.-manned helicopter was attacked near Amacchel village, Quiche Department, near the border with Mexico in northeastern Guatemala, while it was carrying out operations in support of the Army.

The guerrilla report does not specify whether the Americans in the helicopter were killed or injured or exactly when the attack took place.

According to a bulletin from CERIGUA—the guerrillas' official mouthpiece, considered by the Armed Forces to be "clandestine"—the Chinook helicopter was used for fighting the counterinsurgency movement in Quiche Department.

The URNG also reported that their members damaged an airplane and a helicopter in Peten Department, near the border with Belize, where, according to them, there are constant clashes with the Armed Forces.

Car Bomb Explodes Near Capital Police Station

PA0504185089 Panama City ACAN in Spanish 1752 GMT 5 Apr 89

[Text] Guatemala City, 5 Apr (ACAN-EFE)—Three policemen were slightly wounded and the windows of five houses were destroyed today when a car bomb exploded near a Guatemala City police station. The bomb was made of "special" explosives.

Fire Department spokesmen have reported that the explosion took place in front of the 5th National Police Station, which is one of the units assigned to combat drug trafficking and crime in Guatemala City.

Police spokesman Carlos Chen, however, has ruled out the possibility that the attack was directed at the police station, known as the Special Operations Brigade.

The sources said the explosion wounded three policemen and destroyed the windows and damaged walls of five nearby houses. According to the sources, the automobile, a Nissan, had been stolen from the south side of this capital. It was parked near the police station at approximately 0830 (1430 GMT) by an unidentified man.

No clandestine organization has claimed credit for the attack. The sources do not rule out the possibility that the attack was carried out by common criminals.

The police spokesman said the explosives used were not grenades or Claymore mines. He said: "Special explosives that were detonated by remote control were used."

This is the first car bomb explosion reported in Guatemala City. Security forces have begun investigating the attack.

Honduras

Congress Approves Joint Maneuvers With U.S.

PA0504173889 Tegucigalpa Televisora Hondurena in Spanish 0100 GMT 5 Apr 89

[Text] We have a last-minute report: The National Congress a few minutes ago approved Protocol No 2 of the 1954 Military Agreement. This protocol allows Honduras and the United States to carry out joint military maneuvers on Honduran territory.

Last week, although a majority of congressmen approved this protocol after the preliminary debate, it was opposed by Deputy Efrain Diaz. The protocol was passed following a second and third round of debates. The joint military maneuvers can continue, as can the U.S. military assistance program.

A military maneuver is scheduled to take place tomorrow, and we will be reporting on that extensively.

Protocol No 2 allows U.S. troops to carry out military exercises with Honduran soldiers. An agreement that allows Honduras and the United States to carry out joint actions to fight the flow of illegal drugs to the United States has also been approved.

Azcona on Relations With World Bank, IMF

PA0604031289 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 4 Apr 89

[News conference with President Jose Azcona Hoyo and unidentified reporters in Tegucigalpa; date not given—recorded]

[Text] [Azcona] We must pay in order to get more loans. That is all.

[Reporter] How will the country be affected?

[Azcona] Honduras, like most Latin American countries, has had problems in paying international creditors. We must pay; we must reach some arrangement with them. That is all there is to it.

[Reporter] When these organizations came to Honduras, did they hint at the possibility that this could happen?

[Azcona] They did not have to hint at anything. There are established rules, and if payments are late these things happen.

[Reporter] We are behind by $57 million...

[Azcona, interrupting] No, it is not $57 million. We owe the World Bank approximately $28 million.

[Reporter] To what extent is it necessary to reorganize economic policy?

[Azcona] Our economic policy is that we must pay; that is why we must reach an agreement with the World Bank and the IMF, to reorganize this entire [word indistinct].

[Reporter] [Presidential designate] Jaime Rosenthal said today upon hearing about this report that the Honduran Central Bank is blocking domestic investment.

[Azcona] [Words indistinct] recommended over a year ago that we stop payments to the IMF and World Bank. He repeated this recently in statements [words indistinct]. We are now suffering the effects of not being able to pay the World Bank, but we are trying to solve the problem because the amount is not exorbitant. We must pay approximately $28 million to $30 million to the World Bank to reestablish our credit and negotiate the second [word indistinct] we want to negotiate.

[Reporter] Could the [word indistinct] and the ENEE [National Enterprise for Electric Power] be done away with to reduce the debt?

[Azcona] The ENEE must not be done away with. [Azcona laughs]

[Reporter] By privatizing it?

[Azcona] That would not be good. If institutions such as the ENEE were to be privatized, they would cease to service the towns we have serviced because the private sector would find them unprofitable. The private sector only goes where there is profit. For example, El Rosario, the old Ocoteca, and Comayagua would never have received electricity if the ENEE were in private hands because it would be unprofitable to service them. The same goes for San Luis, Santa Barbara, and Arosca in Atlantida Department, all of which we are electrifying, and a whole lot of other towns. I agree that certain businesses that could be profitable in private hands should be privatized, including the cement industry. However, I do not agree with the privatization of service organizations because they would not take their services to unprofitable areas.

[Reporter] How will you solve the problem with the World Bank? In other words, when will Honduras get another loan?

[Azcona] All of that is dealt with in the package we will negotiate with the IMF and the World Bank. We can get strong financial backing promptly, give it to the World Bank, and the World Bank will give us the second [words indistinct].

[Reporter] Will this affect Honduras' development process or your plans for the conclusion of your term?

[Azcona] It will not have an effect on anything this year. That is why we must make an effort and reach an understanding with these organizations so the next government can be better off. The situation we are experiencing now is the same as in Argentina, Venezuela, and all the Latin American countries. It is not a problem created only by this government, but I cannot blame others because something has failed. All the other countries are faced with the same situation.

Foreign Minister Views San Jose Meeting

PA0504154089 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 4 Apr 89

[Interview with Foreign Minister Carlos Lopez Contreras by reporter Jose Rolando Sarmiento; date and place not given—recorded]

[Text] [Sarmiento] What really happened at the Central American foreign ministers meeting in San Jose, Costa Rica, last week? Did the meeting really fail, Mr Foreign Minister?

[Lopez] If one looks at the meeting from the standpoint that there was an agenda with specific goals on which agreements would be reached, then the meeting was not a success.

We could say that, to a certain extent, negotiations are somewhat stalemated. Honduras believes there is a process of negotiations. In other words, we are negotiating

basic issues dealing with the five Central American countries' problems. We are all committed to making efforts to end armed conflicts, but we did not reach any agreements in that regard at the San Jose meeting.

There were marked disagreements. There were heated discussions—as was reported in San Jose—although Honduras was not involved in any of those discussions. We clearly presented our views. We spoke about the way in which we think we should interpret the agreement signed in Costa del Sol, and we specifically referred to the contras' voluntary demobilization, repatriation, or relocation.

I will endlessly repeat—as I did in San Jose—that the principle of voluntariness is a key factor. If we are dealing with a voluntary demobilization, repatriation, or relocation, it is clear that we must take into account the Nicaraguan armed opposition in any dialogue, just as El Salvador will have to do with the Farabundo Marti National Liberation Front [FMLN]. That is why Honduras met with the Nicaraguan Resistance [RN] Directorate members in Washington. We said a dialogue between Honduras and the RN, or a dialogue between Costa Rica, El Salvador, and Guatemala—individually or jointly—will not lead us anywhere, because our states or governments are not the ones being attacked by a military opposition. The contra problem is a conflict between the Sandinist government and the RN. For a voluntary demobilization to take place, there must be some kind of dialogue between the Sandinist government and the RN.

Our statements in San Jose, which were not a plan and which we presented at length, point to the need for some kind of dialogue. We did not indicate what type of dialogue. We did not say who the parties in that dialogue should be. We did not mention venues for that dialogue. And we did not make any statements on the nature, scope, and results of that dialogue, because we can dictate neither the nature of the dialogue nor its result.

[Sarmiento] Honduras and the Honduran Government are always held responsible for the presence of the RN at the border between Honduras and Nicaragua. In accordance with the results of the Costa del Sol summit, however, the five Central American presidents assumed responsibility for the presence of the RN. In addition, there is also the problem of the FMLN in El Salvador.

[Lopez] If you read the Costa del Sol agreement carefully, you will see that this agreement is Honduras's response to the Nicaraguan Government's plan. When President Ortega's government made a proposal to Honduras, President Azcona responded: Let the five Central American governments jointly find a solution to the problem of the RN in Honduras. It is, I repeat, a voluntary solution. It is a voluntary demobilization, relocation, and repatriation.

That is what we said at the San Jose meeting. We presented proposals to carry out our mutual agreement or promises, because the text of the agreement says: The five Central American presidents promise to jointly seek a solution to that problem.

The Nicaraguan representatives at the San Jose meeting wanted Honduras to unilaterally provide a solution to the problem. That is unacceptable according to the text of the Costa del Sol Agreement.

We expressed the need to seek solutions to the various Central American armed conflicts in order to achieve regional peace. We expressed that need because with a situation in which the stronger country has special rights or in which the country whose representatives express themselves more forcefully or more skillfully to the foreign media has special rights. We are dealing with sovereignty and equality, and we must respect the various political processes. In the same way that we succeeded in stopping military aid for an armed group in Central America, we must also succeed in stopping military aid for groups of other political leanings, such as Soviet aid for some Central American rebel groups.

Furthermore, I even said the military aid the Soviets give to some Central American governments—that is, to the Nicaraguan Government as part of the global arms race—and to armed rebel groups should be replaced by humanitarian aid for the repatriation and resettlement of hundreds of thousands of Central American refugees who are dispersed throughout the world. We made those statements. We are waiting to see what happens with Mikhail Gorbachev's visit to Cuba. There are many expectations about that visit, because this issue of the refugees is part of the proposal presented by Honduras at the United Nations. We not only agreed on a simple international peacekeeping force. Our agreement entails a series of negotiations that should bring peace to Central America.

[Sarmiento] The Sapoa talks created hope, but the problem was not solved. Do you believe Ortega's government and the counterrevolution must act in good faith?

[Lopez] If the Sandinists made an effort when the Sapoa agreement was signed—under conditions the Sandinists described as adverse—we do not see why they cannot make an effort now that a dialogue looks more promising and now that they claim to be sincerely committed to a process of political change.

President Ortega's statements can be interpreted in only one way: He recognizes that in his country there was and still is a lack of political tolerance. The commitments he made in Costa del Sol are a promise to change, to correct, and to democratize his political system.

[Sarmiento] Mr Foreign Minister, who requested the postponement of the presidential summit in Tela, Honduras? Did the Honduran Government make the request, or did the Salvadoran Government request the postponement of the summit?

[Lopez] The Salvadoran Government requested the postponement for two basic reasons. The Salvadoran Government believes President Duarte's health will not allow him to participate in the summit with his usual strength and inspiration. In addition, the new Salvadoran president will be sworn in 15 days after the original date of the Tela summit. President Duarte and President-elect Cristiani agreed it would be better if the summit were held in June.

Lopez Contreras Discusses Resignation Reports

PA0604034289 Tegucigalpa Voz de Honduras Network in Spanish 1145 GMT 5 Apr 89

[Text] Honduran Foreign Minister Carlos Lopez Contreras said yesterday that it is not true that he will resign because of alleged disagreements with Honduran President Jose Azcona over foreign policy issues.

Foreign Minister Lopez said: My resignation has been considered, especially because next year both the Liberal Party, which is already campaigning, and the opposition party, which is also campaigning, will be actively engaged in a political race. Lopez said, however, that that possibility has only been discussed by himself, a trustworthy official, and President Azcona.

As for Honduras' foreign policy, Lopez said: We have done what President Azcona advised us to do. Therefore, he said, Honduras' foreign policy is the result of a national consensus and has the support of the country's major political parties.

Lopez reiterated: I am totally devoted to my job, but since 1989 will be an active political year in Honduras, I talked with President Azcona months ago about possibly resigning and whether it was proper for him, for the campaign, and for the country's foreign policy if I were to get involved in a struggle for power and whether that could be detrimental to the Honduran Government's interests.

Lopez said he does not know what is behind these speculations, which he denied and described as alarming.

Nicaragua

Communique Issued on U.S.-Honduras Cooperation

PA0504232389 Managua BARRICADA in Spanish 5 Apr 89 p 5

[Communique issued by the Presidency Press and Information Directorate in Managua on 5 April]

[Text] The Nicaraguan Government warns the nation and the international community of the serious consequences that the approval on 29 March of the additional protocols to the Bilateral Military Aid Agreement between the United States and Honduras will have for the regional peace process.

While trying to legitimize the perpetuation of U.S.-Honduran joint military exercises and maneuvers, this protocol strengthens the U.S. military presence in Central America while also reasserting Honduras' role as a base for threats and intervention against other countries in the region.

In addition, it must be stated that this regrettable action works against the current efforts to achieve a just and lasting peace in the region as established by the Esquipulas process. This process commits the Central American countries to try to reach agreements in matters dealing with regional security. The approval of this protocol threatens the spirit of the recent agreement reached by the Central American foreign ministers in San Jose on 31 March. The foreign ministers decided to call for a meeting of the security commission to continue negotiations on matters dealing with security, verification, and oversight in the draft Contadora document [not further identified], including matters dealing with the limitation of foreign military presence in the area.

The fact that the U.S. Government insists upon disarming Nicaragua and stopping the supply of the necessary means for its defense, while continuing a systematic deployment of its troops in violation of not only the letter and spirit of the agreements signed by the Central American presidents, but also of the feelings of the region's peoples and particularly the feelings of the Honduran people, who demand an end to the illegal occupation of their territory, is equally worrisome and in violation of international law.

Managua, 5 April 1989

Year of the 10th anniversary [of the Sandinist revolution]

Nicaraguan Presidency Press and Information Directorate

President Ortega To Visit Spain 25 Apr

PA0504134389 Managua Radio Sandino in Spanish 1930 GMT 4 Apr 89

[Text] Diplomatic sources today reported that Nicaraguan President Daniel Ortega will arrive in Seville on 25 April. His fourth visit to Spain will be the first stop on a tour through several European countries.

According to authorized sources, Ortega will meet with Spanish Prime Minister Felipe Gonzalez. Unofficial sources have reported that Ortega will visit Expo 92 in Seville, where Nicaragua plans to set up a stand.

It was also reported that Ortega will discuss the development of the Esquipulas agreement, the Nicaraguan situation, and the results of the last Group of Eight meeting.

March Inflation Rate 'Dramatically' Lower

PA0504141589 Managua BARRICADA in Spanish 4 Apr 89 p 1

[Text] According to official reports released yesterday by the Nicaraguan Secretariat of Planning and Budget, inflation dropped dramatically in Nicaragua during March. The inflation rate was 20 percent last month. The reduction is attributed to the economic measures that went into effect at the beginning of 1989.

According to the reports, only in May 1988 was there a similarly low inflation rate, when the rate was 19 percent. The inflation rate in March 1989 is the lowest recorded over the past 15 months.

The inflation rate in Nicaragua since October 1988 has been as follows: We registered a 60.9-percent inflation rate in October; a 111.8-percent inflation rate in November 1988; a 126.6-percent inflation rate in December 1988; a 91.8-percent inflation rate in January 1989; a 46-percent inflation rate in February 1989; and a 20-percent inflation rate in March 1989.

Panama

Noriega Cited on Role of Corregimiento Leaders

PA0504160189 Panama City MEDIODIA in Spanish 4 Apr 89 p 10

[Text] Panama City, (DPA)—Panama Defense Forces (FDP) Chief General Manuel Antonio Noriega has said that the U.S. Embassy in Panama has its own candidate in the 7 May elections.

The military commander said: "Participating in these elections will be the Panamanian people's candidates, who know the national consciousness and reality, and the U.S. Embassy's candidates, who are trying to impose foreign behavior patterns on us."

These statements were interpreted as an attack on the Civic Democratic Opposition Alliance (ADOC), headed by Guillermo Endara.

In a dialogue held with members of the defunct National Assembly of Corregimiento Representatives, which was replaced in 1984 by the existing Legislative Assembly, Noriega expressed the view that the new government elected in May will have to foster "a break with the current structures," to give corregimiento representatives a more prominent role.

Panama's "strongman" indicated that a way must be found to establish a new type of coordination between the Legislative Assembly and the 505 corregimiento representatives, so that a more rapid response can be given to local communities.

Noriega added that the system of popular representation through the National Assembly of [Corregimiento] Representatives—which was introduced by the revolutionary government—was cut down and neutralized by the oligarchy because its members feared that the masses would exclude them from their areas of political power.

Solis Palma on U.S. Sanctions, Relations

PA0604014589 Panama City Televisora Nacional in Spanish 2345 GMT 5 Apr 89

[Speech by Manuel Solis Palma, minister in charge of the Presidency, at a 5 April meeting of the Entrepreneurs' Front of the Democratic Revolutionary Party to analyze "the effects of U.S. aggression"; place not given—recorded]

[Text] As [Democratic Revolutionary Party legislator] Rigoberto Paredes said, sanctions are imposed by courts or persons who have authority to impose sanctions. The United States has no authority to impose sanctions. They have attacked us. [applause] There are no sanctions; rather, there is aggression, there is economic war. That is why I refer to the impact of the U.S. aggression against Panama. All of you know better than I the impact U.S. aggression has had on the Panamanian economy. The 18-percent drop in the gross national product represents the impoverishment of Panamanians. It is an impact that is clearly and definitely reflected in health and education services, in housing, in all our social programs. It is also reflected in our country's economic development, which is the basis of our country's support.

I do not believe that when some businessmen tried to give power to the enemies of the Republic they were aware of the damage they were doing to themselves. However, it is much sadder to see today that they are not sorry they did that, that they continue on the same path that will lead the country to a critical and chaotic situation that will end up toppling the government and bringing to power the backward forces of the Panamanian nation. They want to topple the government, not because I am in the Presidency, but because there are basic forces in Panamanian society, and in the FDP in particular, that will defend Panamanian nationality against any attack by the aggressors. [applause]

The damage can be repaired, and there are positive aspects we must learn from this aggression. We have learned to walk on our own two feet. We are slowly advancing, but we are advancing without any need for help. We have obtained some cooperation from sister nations, but we have been slowly breaking all of those structures, all of that thinking that bound us to only one country, which—although it was the main economic and military power in the world—is becoming economically decadent. The world is looking in other directions. History is clear about what will happen to those who do not have the capability to keep up with today's scientific and technological revolution.

There is a story that is worth repeating; the Americans themselves have told this story: Mr Bush had an automobile accident and he was unconscious for 3 years. When he woke up, he asked: How is the United States doing? He was told it was doing very well. Then he asked: How much does a cup of coffee cost? He was told: 25 yen. [laughter, applause]

This clearly shows that the dollar will not control the future of the world. There will be other currencies, other worlds, other countries. This crisis will lead us to have relations with the rest of the world, with the united Europe that is developing, with Asia, including Japan. We will establish relations with the United States only at the highest level of respect and consideration; we will not seek friendships just to be stabbed in the back later. [applause]

We can guarantee that in a short time Panama will be able to say it has overcome this aggression with strength, dignity, and courage, and that it will always be looking to the future with pride.

We have overcome the most difficult moments of the crisis, and people must be aware of how we have responded: with the strength and dignity that the entire world has seen in us. When we were only given 2 weeks to survive.... [changes thought] No one could imagine how a small country with its banks and stores closed and with no dollars—which was and continues to be our currency—could last for more than 2 weeks. We are speaking to you 13 months after the great aggression began. We can say our souls are bursting with dignity, pride, and gratitude for all the Panamanians who along with us were firm and believed, and continue to believe, in our country, because the country is in their souls. They are unlike those who were born in Panama but forgot where they were born and went out to seek the glory of power, forgetting that when the glory of power is attained in the wrong way, they become a disgrace in the eyes of serious and responsible citizens.

Foreign Minister Comments on U.S. Relations

PA0604021389 Panama City Circuito RPC Television in Spanish 2300 GMT 5 Apr 89

[Interview with Foreign Minister Jorge Ritter by unidentified reporter; date and place not given—recorded]

[Text] [Ritter] I have said this on many occasions and reaffirm it once again: We are quite willing to normalize our relations with the United States as long as the country's sovereignty and dignity are respected.

All Panamanians, regardless of whether they sympathize with the government or the opposition, must feel deceived because the United States—at this point, 1 year later—is still maintaining the fictitious action of recognizing Mr Delvalle. Even thinking he stands for this country's government is a deceitful action not only against the Panamanian Government but against the country. The economic measures the United States justified by claiming that the Panamanian Government represents an unusual and extraordinary threat to U.S. security, economy, and foreign policy will be 1 year old next Saturday.

They have done nothing but ruin the country; they have not yet realized that this is not the correct way to act and that Mr Delvalle is not and cannot be the president of the Republic of Panama. We are indeed trying.... [changes thought] I repeat: We have taken all steps, including attendance at meetings, despite all pressures, of the Panama Canal Commission Board of Directors. When Panama decided to attend such board meetings, Mr Giannelli unilaterally suspended a meeting.

Thus, whenever Panama takes steps to show its willingness not only to normalize its relations with the United States but also to separate canal problems from the current confrontation, the United States takes steps in the opposite direction.

[Reporter] Do you foresee recognition by the United States of a government headed by Carlos Duque, should he win the elections?

[Ritter] I believe the United States should stop recognizing the government of Mr Delvalle. There are many ways to maintain relations with other countries: One can withdraw the ambassador; one can break relations with a country. But one cannot support a policy with an unreal base. The unreal base is the continued U.S. recognition of a government that does not exist.

What will happen after the 7 May elections? Only the U.S. Government can decide that. Only they can decide whether they will recognize the next government headed by one of the three candidates. Their policy is absurd, but maintaining this recognition beyond 31 August [last day of current administration] will be even more absurd.

COLINA Releases 'Political Platform'

PA0204230489 Panama City LA ESTRELLA DE PANAMA in Spanish 31 Mar 89 A-1, D-2

[By staff writer Camilo O. Baruco G.]

[Text] A high-ranking leader of the National Liberation Coalition [COLINA] told LA ESTRELLA DE PANAMA that COLINA has already drafted its platform and promises to begin fulfilling it immediately following its victory in the 7 May 1989 elections.

The document, which is entitled "Political Platform," bears the signatures of the representatives of the Democratic Revolutionary Party [PRD], the Labor Party [PALA], the Liberal Party, the Republican Party, the Revolutionary Panamenist Party, the People's Party, the Nationalist Action Party, and the Democratic Workers Party.

These parties "pledge to faithfully comply with the following fundamental planks of the government program that will be drawn up and carried out following the victory at the polls on 7 May 1989."

According to the document, its "main objective is to establish a democratic, people-oriented government of national liberation, with participation by all sectors that support its platform, which is aimed at achieving the country's socioeconomic development."

"The goal of the short- and medium-term program for national liberation will be to eradicate the remnants of the colonial enclave through follow-up and compliance with the letter and spirit of the Torrijos-Carter treaties, which guarantee a U.S. civilian and military withdrawal from the territory of the Republic of Panama. COLINA will not agree to a revision of the treaties, because this runs counter to national interests."

COLINA "will demand that the Panama Canal Commission [PCC] administrator be a Panamanian citizen beginning on 1 October 1990, as established in the treaty. It will also demand that the PCC Board of Directors and the U.S. Government carry out an investment program to guarantee efficient canal maintenance. In addition, the document states that COLINA will demand that Law 96-70 be repealed, and will promote adherence by all states in the world to the Protocol for the Neutrality and Operation of the Panama Canal. It pledges to create an institution to plan and to implement [a program for] the integral use of the areas which have already been reverted, the areas to be reverted within 10 years, and the entire canal structure. COLINA will see to it that Panama makes full and collective use of these areas. In addition, a program will be drawn up for the nationalization of the Panama Canal, to be complied with after its reversion to Panama."

The COLINA platform states that it will guarantee an adequate development of the tripartite commission on alternatives to the Panama Canal. It refers to reinforcing the democratic nature of the Panamanian state and strengthening the system of popular representation at the regional, provincial, and local level through a strengthening of the provincial and municipal councils as well as local boards as pillars of participatory democracy. COLINA will enhance its capacity for consultation and dialogue with all social strata through participation in the popular, labor, and trade union organizations, which are the social foundation and guiding force of the development and implementation of the government platform.

The government platform also proposes an independent development model (representing many sectors), which will pay most attention to the agricultural, industrial, maritime, and other sectors. As part of this objective, this model will recognize the participation of different types of ownership, such as as private, state, mixed, cooperative, and small business." [no opening quotation marks as published]

COLINA "will maintain and promote respect for private ownership so such participation in economic activities will increase employment levels and incorporate new techniques and breakthroughs in the science of production."

COLINA will propose an agrarian policy, expand the agricultural frontier through all-inclusive development programs, increase cattle raising to improve its production levels through the use of improved techniques, release tracks of land for agricultural activities, develop an aggressive policy on the scientific exploitation of fishing resources for the local market and for exploitation [as published], and activate an agro-industrial program through policies aimed at increasing effectiveness of this sector. "New companies will be protected without harming the consumers of small- and medium-sized local industries."

In sum, this is a far-reaching program, because it refers to the exploitation of mining resources and all areas of tourism, the national and international banking system, the country's financial situation, the social importance of food, the Panamanian family, and Panamanian women who are considered capable of participating in public life in the country's struggles, decisions, and development. The role of minors, youths, and the elderly will be studied and handled considering all its elements. Minority groups, Indians, and peasants will be discussed extensively. The new COLINA government will guarantee prices and protection for consumers. Moreover, experts chosen by COLINA will thoroughly review the topics of labor, national education and culture, sports, and physical education.

To conclude, health, the integration of health services, housing, transportation, public administration, social security, and international policy are profound and far-reaching topics that will receive the most attention in the COLINA government platform.

Tribunal Releases Party Membership Figures

PA0504000889 Panama City ACAN in Spanish 1232 GMT 4 Apr 89

[All figures as received]

[Text] Panama City, 4 Apr (ACAN-EFE)—The National Information System [SNI] reported Monday that according to Panama's Electoral Tribunal, the progovernment COLINA has the support of 40 percent of Panama's voters.

The SNI cited Electoral Tribunal figures that show that as of 10 March, COLINA's largest party, the PRD, had over 200,000 supporters. The report adds that COLINA's main opponent, the ADOC, has 83,000 members, and that the third largest political group, the Authentic Panamenist Party [PPA], has slightly more than 32,000 members.

The Electoral Tribunal figures contradict recent polls that showed the ADOC with a wide lead over COLINA.

According to the Electoral Tribunal, the two political coalitions and the PPA have a total of 557,306 supporters. This accounts for almost 50 percent of the country's 1.2 million voters.

The report notes that the Nationalist Republican Liberal Movement [MOLIRENA], the ADOC's largest party, has 39,553 members, followed by the Christian Democratic Party [PDC] with 22,000.

According to a poll conducted recently by a Venezuelan firm at the request of the PDC, 58 percent of the people said they would vote for the ADOC and 22 percent would vote for COLINA.

During the May 1984 elections, the government coalition—which included the parties that are today part of COLINA—obtained approximately 300,000 votes and won the election by 1,713 votes.

The Electoral Tribunal report reveals that in 1984, the PRD received the largest number of votes, almost 176,000. This shows that the PRD membership has increased by 25,000.

Paper Charges Political 'Propaganda' Arriving

PA0604042489 Panama City CRITICA in Spanish 5 Apr 89 p 5

[From the unattributed "Scoops" Column]

[Text] Several tons of propaganda material are arriving at Howard Air Force Base for the PDC and the MOLIRENA. The material has been financed by AID through the Private Sector Council for Educational Assistance.

Opposition Column Views COLINA Efforts

PA0504230289 Caracas EL UNIVERSAL in Spanish 25 Mar 89 p 1-11

["Panamanian page" column by Diogenes de la Rosa]

[Excerpt] [Passage omitted]

The Panama Defense Forces and Politics

Recent statements made by the FDP commander in chief to a group of officers at a seminar confirm the political role the FDP has played since 11 October 1968.

The result of the military's involvement in politics is revealing: the worst economic crisis in the country; an excessive amount of employees on the government payroll; the government's inability to pay its employees; an increase in crime; a decrease in the number of social services available; a decrease in the quality of health, communications, and electricity services; and a dangerous decline in the quality of education services—not to mention the great social decay that is the result of all this.

The FDP's involvement in national politics has been one of the greatest failures of the Panamanian socioeconomic infrastructure.

The worn-out cliche that the military regime has been the one that has allowed the people to reach power is disproved by the overwhelming national and popular rejection of the Noriega regime.

The FDP chief's words are just one more of the distortions that are constantly being repeated in national and international forums by those who tyrannically rule over the Panamanian people.

All this is an attempt to go against the will of the people, who will go to the polls in large numbers to vote against a corrupt and repudiated system.

Noriega and his cohorts know this very well.

Government Supporters Propose New Government System

In the face of an imminent and crushing election defeat, Noriega regime officials are looking for ways to stay in power.

With that in mind, their media sources have been alluding to the opposition's violent tendencies when in fact government sympathizers are the ones attacking opposition members.

A recent convention of the paramilitary group known as the National Union of Natural Leaders [Union Nacional de Dirigentes Naturales] discussed the idea of reinstituting the Torrijist system through a constitutional amendment whereby a chief of government would be elected by the Assembly of Corregimiento Representatives, an organization created by the regime of the late General Omar Torrijos to consolidate its power.

In this way, they would establish a Constituent Assembly to postpone the elections for 1 year, at which time a nominal president would be elected and the Assembly of Corregimiento Representatives would elect a chief of government to assume all Executive Branch powers.

Another idea involves holding elections following the presentation to the Assembly of a constitutional amendment that will create the position of chief of government and is expected to be approved after the first debate. The next Assembly, for the most part composed of government sympathizers elected on 7 May, would approve the constitutional amendment in a second debate and therefore these actions would not violate the letter and spirit of the Constitution.

COLINA Depends on General Noriega

The presidential candidate for the progovernment COLINA demonstrated the political group's dependence on the FDP during a political rally held on the occasion of the 10th anniversary of Torrijos' founding of the PRD.

Carlos Duque said that the PRD, which Torrijos called the FDP's political branch, fully backed Gen Manuel Antonio Noriega, commander in chief of the FDP, thereby confirming the progovernment candidates' subordination to the Armed Forces chief.

At a mass rally which lacked the enthusiasm of previous meetings of the progovernment's majority party, Duque insisted on reminiscing on the late Gen Torrijos, clinging to that memory as if it were a life raft.

Duque insisted that the government enjoys the support of the masses, despite evidence that the gap between the government and the opposition is widening—as demonstrated by the massive opposition political demonstration held on 2 March in which thousands of people participated, despite all the obstacles arranged by Manuel Solis Palma, the minister in charge of the Presidency.

Duque's speech had the familiar anti-imperialist and anti-oligarchic ring, although he refrained from stating that he has enjoyed power and has amassed one of the largest and most comprehensive fortunes in the country under the shadow first of Torrijos and then of Noriega.

COLINA's presidential candidate pointed out that Panamanians are a peace-loving people; nonetheless, he frightened the opposition—which is already justifiably afraid—by threatening government violence, saying that they [COLINA supporters] would meet the opposition wherever they might go.

Until now it has been the progoverment parties that have attacked the opposition in different parts of the country, such as in the towns of La Chorrera and Arraijan and in Chiriqui Province.

Duque said that the Panamanian people believe in democracy and that the government is headed toward perfecting democratization.

However, he refrained from saying that the regime he represents and whose continuity is ensured with his candidacy has kept several opposition mass media shut down and several Panamanians in exile, and has held political prisoners in the country and decreed a ban on public demonstrations, measures primarily aimed at the opposition.

Small Parties, No COLINA

The profound differences among the political parties that make up the progovernment COLINA widen as the 7 May elections draw near.

Spokesmen for those parties have expressed dissatisfaction because only the parties contributing the largest amounts of money—that is, the PRD and the Labor Party, PALA—are involved in the alliance's decision-making process. The other six political parties are only called upon to "take up space" in public activities, according to their own statements.

The PRD and PALA are engaged in open wafare over the control of COLINA. This has led their top leaders to exchange outrageous statements, not to mention those members who have engaged in fistfights and even fired at each other during certain meetings.

In addition, the candidates of these parties, who received promises of economic aid, have not yet received a penny only 8 weeks before the elections. Therefore, there is general dissatisfaction and this has led to the weakening, not the strengthening, of the political organizations' presidential ticket.

As a result, public activities receive minimal public support. Not even public employees want to support public activities and, when forced to attend, they make their displeasure known by their silence and by their refusal to participate actively.

The military, which monitors political activities closely and plans their strategies, has ordered a progovernment march to counter a huge march held last week by the opposition. However, from the very beginning its organization lacked rank-and-file support, because the rank and file feels deceived and does not wish for the status quo to be maintained.

Noriega's Candidates Do Not Generate Excitement

COLINA's presidential slate continues to tour the country without filling the sites where they hold their political meetings. Despite the fact that the progovernment COLINA is made up of 8 political parties and that public employees are compelled to take part in COLINA's political activities, the events are a failure; it is estimated that barely 3,000 people—at the most—have attended these events.

Not even the PRD, which claims to be the majority party of the coalition and which recently celebrated its 10th anniversary, has supporters. As part of its celebrations, the PRD organized a motorcade through various parts of Panama City. As it went by, the people booed and threw orange rinds and stones at the motorcade, yelling out accusations of misappropriation by the PRD throughout the 20 years [as published] that it has been in power.

The highlight of the 10th anniversary celebration was a sordid political event that was attended by military men in civilian clothes who mingled with the guests.

This event featured tastelessness, a lack of party members, and a large quantity of beer, which was dispensed to guests who were desperate to get their share.

Banking Official on U.S. Retention of Funds

PA0604022689 Panama City MEDIODIA in Spanish 4 Apr 89 p 2

[Summary] Rafael Arosemena, general manager of Banco Nacional de Panama, has said that the U.S. Government's retention of $56 million of the bank's funds has meant a loss of $3 to $3.5 million in interest income. On a different subject, Arosemena said the government's National Banking Commission is looking into the possibility of lifting restrictions on $10 million held by Banco Nacional de Panama that belongs to other financial institutions.

Weekly Review of Political Situation

PA0504215189

[Editorial Report] The following is a review of material from Panamanian and regional media related to the current political situation in Panama. This review covers the period from 28 March through 3 April and includes some items that have been processed in fuller form.

Domestic Political Activity

Regime Comment on Elections

The proregime media highlighted two speeches delivered during the week in review: the 28 March speeches by Manuel Solis Palma, minister in charge of the Presidency, and by General Manuel Antonio Noriega, commander in chief of the FDP, both of which were broadcast by Panama City Televisora Nacional. Solis Palma asserted that "there will be" elections on 7 May and that there is "only one path to follow, COLINA's," while warning "let us show our teeth" so the world will know that "whoever stands in our way will be eliminated." In his speech, Gen Noriega warned that "we will not be passive witnesses to anyone's victory other than COLINA's."

The proregime media commented that the speeches "caused concern" among the opposition leaders, as a Panama City MATUTINO editorial said on 30 March, adding that Ricardo Arias Calderon, PDC president and first vice presidential candidate on the ADOC ticket, feels "threatened" as he has "sold out to the international Christian Democrats." The PDC leader had said earlier that he was "concerned" over the "partisan attitude" of Gen Noriega and Solis Palma, Panama City ACAN reported on 29 March, adding that Arias Calderon felt the "attacks launched" by the two men showed they were "fearful and weak."

Criticism of Arias Calderon, Opposition

During the week in review, the election campaign "heated up" as a result of "charges and countercharges" between the military and Ricardo Arias Calderon, ACAN noted on 28 March, adding that "the confrontation increased rumors" of the "postponement of the 7 May elections." According to another ACAN report, the ADOC slate issued a communique in which Arias Calderon said the opposition "is willing to seek an agreement with the military...if a deadline is set for the retirement of Gen Noriega."

In the most recent regime charge, Panama City LA REPUBLICA DOMINICAL reported on 2 April that Arias Calderon had "personally supervised the sabotage of a bridge" in Veraguas Province "in an attempt on the lives" of COLINA candidates Carlos Duque and Ramon Sieiro.

The opposition also was accused of "spreading rumors with the support of ACAN-EFE," as Panama City Domestic Service commentator Jorge Montalvan said on 29 March. He alleged ACAN-EFE is "manipulating public opinion" when it claims that "the opposition is using the elections as a plebiscite on Noriega."

The regime-controlled media continued to criticize Arias Calderon during the week in review. An example is columnist Baltazar Renan Aizpurua, who described Arias Calderon in Panama City CRITICA on 27 March as the "demo-cretin leader" and "puppet of the CIA" who is "trying to prepare a new coup prior to the May elections." A 31 March MATUTINO editorial described the PDC as an "anti-Christian and antidemocratic party" and charged that the PDC members and "the U.S. soldiers" are the "persons responsible for the growing number of deaths...in our national territory."

Mustafa's "Lancer" column in LA REPUBLICA on 29 March reported that "the servile followers of Uncle Sam in Colon" were planning "to sow chaos and violence in Colon" so that the U.S. Southern Command "would invade Panama, starting in Colon." The subject of "intervention" was also brought up by the "Political Arena" columnist in the 31 March CRITICA, who said Arias Calderon was a "promoter of Yankee imperialism" who was "hoping for imperialist intervention."

Speaking on Televisora Nacional on 29 March, commentator Luis Manuel Martinez claimed Arias Calderon had gone to the United States to meet with U.S. Vice President Dan Quayle, who had "listened to Arias' proposal: that ADOC would annul the canal treaties and let the United States stay past the year 2000." In exchange, Martinez alleged, Arias Calderon asked that President Bush guarantee two terms in office for the ADOC, with Arias Calderon as president in the second term.

Guillermo Ford, ADOC's candidate for second vice president, was also criticized by the proregime media. The "Politics and Politicians" columnist said in the 29

March CRITICA that "Billy" Ford was an "oligarchic U.S. errand boy" who had "made a fortune by exploiting the people." Meanwhile, the "Scoops" columnist said in the 28 March CRITICA that U.S. Ambassador Arthur Davis and Ford had met at Coronado Beach on 24 March, at which time Davis "gave instructions to the pro-Yankee Ford for the implementation of Washington's plan against the Panamanians."

PRD-PALA Quarrel

A quarrel between the ruling PRD and the PALA—both members of the progovernment COLINA—was triggered by an anti-PRD article and a cartoon ridiculing Finance Minister Orville Goodin that appeared in Panama City MEDIODIA on 29 March. The PRD response was voiced by CRITICA's columnist Baltazar Renan Aizpurua, who charged that MEDIODIA, owned by PALA Secretary General Ramon Sieiro and PALA President Juan Medrano, as the "mouthpiece for the so-called PALA, has devoted its best efforts to attacking leading PRD figures." Sieiro responded in a statement to Panama City RPC Television on 30 March. He rejected the CRITICA article, saying "this proves once again that there is a great difference between the PRD and PALA," but he vowed "we will support COLINA so Carlos Duque will win the Presidency." RPC TV on 3 April carried recorded statements by Health Minister Francisco Sanchez—who is a PALA member—to the effect that there are "some differences of opinion, but everyone in COLINA is for national liberation." In the same newscast, Public Works Minister Rene Bultron—also from PALA—said "there are no major differences, as we all defend Panama's dignity."

Economic Developments

During the week in review, economic reports mainly focused on the country's problems. MEDIODIA reported on 28 March that GNP dropped by 17.1 percent in 1988, which is "the worst percentage drop registered since World War II." The activities mostly affected are construction, manufacturing, wholesale and retail sales, restaurants, hotels, transportation, and insurance. Furthermore, a government poll taken in 1988 disclosed that the private sector dismissed 22.7 percent of its employees, while the government dismissed 4 percent of public employees, MEDIODIA reported on 29 March.

The issue of the promissory notes was brought up again on 3 April when Domestic Service carried a live speech by Manuel Solis Palma, who claimed "full responsibility" for them and attended the first drawing of the notes that will be redeemed on 7 April.

Relations With the U.S.

Duque Message on Relations

COLINA presidential candidate Carlos Duque addressed a "message" to "Panamanians and all countries of the world." In the message, read by second vice presidential candidate Aquilino Boyd on Televisora Nacional on 30 March, Duque asserted "the time has come for the United States to reexamine its Panama policy" and to "repair the enormous damage done to the Panamanian economy by the unjust U.S. aggression."

"Flag Incident" With COLINA

A "flag incident" on 2 April—in which a COLINA caravan led by Carlos Duque was momentarily detained at the entrance of Howard Air Force Base—led to considerable comment by the media. Panama City LA ESTRELLA DE PANAMA's 3 April report of the incident said the COLINA members "personally suffered the abuse to which Panamanians living in Veracruz, Arraijan District, constantly suffer." The 3 April CRITICA editorial warned that the "gringos must distinguish between the dignified Panamanians...and the eunuchs who are prostituting the nation," referring to an ADOC caravan that was allowed on 31 March to enter Howard. A 3 April CRITICA article by Carlos Nunez quoted Duque as having said the "only bastions of the servile ADOC are the military bases of U.S. occupation, but this will soon come to an end." The incident is referred to by Domestic Service on 3 April as "evidence of U.S. soldiers' arrogance" and was the subject of a MEDIODIA editorial on 3 April that hailed Duque's position and charged the incident "is one more example of the barefaced bias" shown by the U.S. Army in the Panamanian political campaign. The media also carried comments on the subject by Solis Palma, who told RPC TV reporters on 3 April that this "action goes against guarantees for a genuine election process" and that "we condemn that kind of situation, a situation we have been bearing because of our physical inability for confrontation."

"Violation" of Airspace

"The most recent violation of Panamanian airspace" was reported by CRITICA on 31 March in a protest note sent by the Panamanian members of the Combined Board to the U.S. members. CRITICA picked up the theme and used it for its 1 April editorial, saying that the "U.S. provocations continue" as the "insolent and haughty U.S. invader army" sends "helicopter gunships flying over our national territory." The editorial added that "the time will come for a just and opportune moment to settle the account for so much arrogance and outrages."

Panamanian Killed in Firing Range

The accidental death of Panamanian Rodrigo Flores Martinez on the Pina firing range, on the Atlantic side, was widely covered by the media, such as MATUTINO, which claimed on 29 March that the U.S. military's "irresponsibility and lack of professionalism caused the

death" of Flores. CRITICA's 30 March editorial said Flores was "murdered" by the U.S. Army, which "is illegally stationed along the canal shores."

Canal Toll Issue

The possibility of increasing Panama Canal tolls was criticized by Foreign Minister Jorge Eduardo Ritter, who said Panama "opposes a plan to increase canal tolls, because that would hurt Latin American countries," ACAN reported on 29 March. The news agency went on to report Ritter said relations with the United States "are virtually nonexistent."

"Missing" Escrow Funds

The issue of the "missing" escrow funds continued to be topic of discussion during the week in review. Although a government attorney explained that the Santa Rosa sugar mill, partly owned by "former President" Eric Arturo Delvalle, will not be closed, as Televisora Nacional reported on 28 March, the following day's editorial in CRITICA referred to Delvalle as "a criminal" and demanded "firm action to the last consequences" on the "illegal gains of enterprises whose owners have brought so much disgrace to the Panamanian people." Delvalle's denial of the "infamous charges" against his having made "improper use" of the frozen Panamanian funds was reported by Hamburg DPA on 30 March.

Argentina

Pugliese Outlines Intentions for Immediate Future

PY0504014189 Buenos Aires TELAM in Spanish 2332 GMT 4 Apr 89

[Text] Buenos Aires, 4 Apr (TELAM)—Economy Minister Juan Carlos Pugliese tonight reported that he will adopt the necessary measures to satisfy the requirements of the moment, but that the essential measures, such as the unification of the money exchange rates, "will be the responsibility of whoever is elected" on 14 May 1989. He said, however, that there will be changes in the exchange policy.

He added that he will ask his colleague, Labor Minister Ideler Tonelli," to hold a new meeting of the minimum salary council so that this policy will have no flaws as far as salaries are concerned." He tried to make it understood that the current minimum salary will be increased. The current minimum salary is 2,400 australes for April and May.

In his first contact with reporters accredited to the Economy Ministry, Pugliese confirmed in colloquial language that the special and commercial dollar exchange markets will be merged into a single commercial, market. He added that 50 percent of export activities will be carried out through that new exchange rate, and the other 50 percent through the free market.

Pugliese stated that "this exchange market will be implemented for agricultural, livestock, and industrial exports, and for imports as well."

Then he said: "I do not intend to work toward 14 May [day of the elections] or for anyone in particular. We will adopt measures to ease the markets and reduce expectations."

He added: "Our objective is to transfer the government in a peaceful manner on 10 December 1989, and it will be an honor to contribute to a peaceful transition" to a new government.

Pugliese stated: "I do not believe in price freezes, and we will not implement one. But we will be vigilant and report those who do not act in accordance with the emergency existing in the country."

Pugliese told the journalists that he is "thoroughly and fully aware of the serious situation" in which he assumes the post. He recalled that he performed similar duties 25 years ago, when, "unlike now, the external accounts were in a favorable situation. That was something totally different."

Continuing in colloquial language, Pugliese said that he is aware of the situation and that he cannot "work wonders." He added: "I will calm down, put things in order, and put the Economy Ministry outside the influence of the 14 May elections."

Concerning the work of the immediate future, he said that he is not "planning to work for the 14 May elections or, for that matter, for anyone in particular."

At the Padilla Hall of the Economy Ministry, Pugliese was accompanied by his predecessor Juan Sourrouille, who with an austere gesture said that "this is my last day in the ministry." He added that "this is certainly not a happy time for an outgoing minister," although "it is also true that one cannot be always so lucky as to be replaced by someone who has the political and human qualifications of Dr Pugliese."

The conversation with the journalists was attended by, among others, former Finance Under Secretary Mario Brodersohn, former Internal Commerce Under Secretary Ricardo Mazzorin, officials who will not be replaced, secretaries, and assistants of several offices.

Garcia Vazquez Assumes Central Bank Presidency

PY0504041389 Buenos Aires Domestic Service in Spanish 0200 GMT 5 Apr 89

[Text] Juan Carlos Pugliese today swore in Enrique Garcia Vazquez as the new Central Bank president. Before this ceremony Garcia Vazquez, who had held this post previously during the Alfonsin administration, said that a restrictive monetary policy will be implemented in April.

The Central Bank has also announced modifications that have been applied to the current exchange rate policy. It added it will be up to the Central Bank to establish on a daily basis the commercial dollar rate, which will be fused to the official rate. There will also be a free dollar rate, which will be established by the market.

A Central Bank resolution also reports that 50 percent of exports and imports FOB [free on board] will be carried out using the new fused exchange rate.

New Economic Team Announces Official Figures

PY0504203889 Buenos Aires Domestic Service in Spanish 1600 GMT 5 Apr 89

[Excerpt] The new economic team, headed by Economy Minister Juan Carlos Pugliese today began its activities without announcing any salary increases or tax withholding on agricultural exports.

As previously announced, the Austral was devalued by 27.3 percent, and the official dollar exchange rate now stands at 20 and 20.15 Australes for purchase and sale respectively. The free market dollar opened at 40 and 43 Australs, for purchase and sale, but rose to 47 and 48 Australes a few minutes ago.

Today Pugliese and the new Central Bank President also met. [passage omitted]

Military Industries Report on Production, Exports

PY0404211589 Buenos Aires TELAM in Spanish 1340 GMT 4 Apr 89

[Text] Mar del Plata, 4 Apr (TELAM)—Jorge Horacio Carnelli, chairman of the board of the Military Industries, has said that "the financial situation of the company is not very good but we are still running the company without national treasury funding."

Carnelli attended a ceremony in this city to unveil a statue of General Manuel Savio.

He added: "We are manufacturing light and heavy weapons, chemical products, steel, electrical wires, copper and bronze sheets, bronze cables, gun powder, and some portable weapons which are being exported to our neighboring countries."

He told LA CAPITAL that the Military Industries export goods worth "about $200 to $250 million a year."

Carnelli concluded by saying that "we are doing well in the industrial and administrative aspect but our sales to the Armed Forces have been reduced because of their low budget."

Navy Denies Barter of Submarines for Planes

PY0504031589 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2215 GMT 4 Apr 89

[Text] Buenos Aires, 4 Apr (NA)—A high-ranking Navy source today stressed that the Navy "does not have" any plan to barter submarines for Israeli-made fighters, thus denying reports released by foreign sources.

According to reports transmitted by international news agencies, Defense Minister Horacio Jaunarena mentioned the possible barter deal.

"Such remarks have been attributed to the defense minister, but the Navy does not have any program such as that referred to in the report," the source said.

According to reports datelined Jerusalem, Argentina might be interested in bartering submarines for Israeli-made Kfir planes fitted with U.S.-made turbines.

The Israeli Navy was planning to buy submarines from the FRG, but the negotiations were suspended.

Argentina has a fleet of FRG-made submarines, four of which must be built in Argentine shipyards.

The reports stressed that Jaunarena said that the negotiations are "in the initial phase" and that it is necessary to "reconsider" the ban imposed by the United States, because it is now "meaningless."

Jaunarena Comments

PY0504121789 Buenos Aires Domestic Service in Spanish 0200 GMT 4 Apr

[Text] Defense Minister Horacio Jaunarena has confirmed that the country is interested in the possible exchange of Israeli Kfir fighter bombers for Argentina submarines.

Asked if it was a barter deal, Jaunarena said it is possible to describe it that way.

Interference in TV Broadcast Reported

PY0504142889 Buenos Aires DYN in Spanish 1136 GMT 5 Apr 89

[Text] Buenos Aires, 5 Apr (DYN)—A voice in "off" [preceding word in English] last night interfered with the broadcasting of the "New Times" program on Channel 2 in La Plata and made a number of serious accusations against members of the Radical Civic Union [UCR] administration regarding various events that have been taking place recently.

The interference occurred shortly after 2200, during the broadcasting of the program's second section while Bernardo Neustadt, the program's anchorman, was talking with Alvaro Alsogaray, the presidential candidate for the Alliance of the Center.

During the interference, which began with the UCR march and lasted for about 4 minutes, a male voice made serious accusations against President Raul Alfonsin and Interior Minister Enrique Nosiglia regarding various events that have been taking place recently.

The interference involved the northern Buenos Aires districts and several Buenos Aires suburbs.

Similar interference occurred 3 weeks ago during the broadcasting of another "New Times" program. On that occasion, Foreign Minister Dante Caputo was being interviewed when a strange voice insulted him.

Chilean Technicians Delayed in Santa Cruz

PY0604111189 Buenos Aires Domestic Service in Spanish 0200 GMT 6 Apr 89

[Text] Sources at the Argentine Foreign Ministry this evening disclosed that three technicians of the Chilean Public Works Ministry were delayed by personnel of the National Gendarmerie when they landed on the Argentine coast of San Martin Lake. They were allowed to return to Chile, however, once they proved they were doing engineering work in the Villa O'Higgins area.

It was disclosed that three Chilean technicians late last night landed on the pier near (Cocovi) on San Martin Lake, Santa Cruz Province, seemingly due to navigation problems.

According to the sources, personnel of the National Gendarmerie delayed the three technicians until they checked their activities and then let them sail back to the other side of the lake.

*** ECLA Study on New Maritime Regulations**
33480135c Buenos Aires AMBITO FINANCIERO in Spanish 20, 22, 24 Feb, 2 Mar 89

[20 Feb 89, p 39]

[Text]

New Shipping Regulations

A study by the Economic Commission for Latin America [ECLA] contends: "When drawing up legal regulations for regular transport by liners, most countries address three aspects: trade, economic security and national defense. A policy on regular transport by liners is defined by the interplay of these components."

In any event, we should not disregard the influence that the political decisions of a government could have in other areas. "What is more," the study says, "the commercial aspects of shipping by regular liners are governed by considerations unrelated to the marketplace (economic security and national defense), and any attempt to divorce it from the industrial economic environment and from politics in general is not just impossible but would be a senseless exercise."

The innovations in services, above all the introduction of new rules of competition on regular lines, are traumatic but must be properly understood.

Measures

Measures such as the Shipping Act and the proposal to include shipping under the European Community's Treaty of Rome, are the most important ones that the developed countries have taken in this field.

ECLA argues that the 1984 Shipping Act "is more than simply national legislation," for four reasons. Approximately two-thirds of all regular liners stop over in U.S. ports and, consequently, must meet their requirements. The new tools that the industry is creating uphold market forces as well as the services and technologies that are restructuring the industry. Third, lines can now respond quickly to the changes that come about in commercial demand, and fourth, many countries are looking into the possibilities and experiences of this law so as to modify their own legislation.

Consequences

One of the decisive commercial consequences of the Shipping Act has to do with the possibility that is being offered to shippers of dealing directly with the haulers by negotiating with any line or group of lines and with a syndicate. Before, they only used to be able to deal with syndicates. The law even promotes the creation of haulers associations.

As for the aspects involving national economic security and defense, the study notes that the United States has kept its merchant marine going through a set of cargo-reserve and subsidies regulations. It cites interesting examples. Regular shipping lines in the United States receive differential operating and construction subsidies, besides the reserve regulations that are applicable to coastwise-trade, military and economic-assistance cargo. With a few notable exceptions, the size of these subsidies and the cargo-reserve regulations make U.S. shipping on regular liners one of the most protected among the countries with market economies.

[22 Feb 89, p 39]

[Text] As for the commercial aspects of international shipping by regular liners, by means of the differential operating subsidy the United States helps its shipping firms to defray the high costs of domestic labor. An ECLA study says that this is done "so that they can compete with the shipping fleets of other countries."

For example, the typical wage costs of a Taiwanese-flag container ship are half those of an American vessel. Thus, the differential operating subsidy could spell the difference between continuing a commercial route or not.

Countless proposals have been submitted to the U.S. Congress to review the legislation and allow regular shipping companies to build and lease new vessels on the open market and, notwithstanding, to receive subsidies.

"As for the national-defense aspects of shipping policy in the United States, they are taken care of through the 89-unit Ready Reserve Force of the Military Shipping Command, while economic security is considered to be appropriately handled by the U.S.-owned fleets that are registered under the country's laws," the study says.

Treatment

The developed countries' separate treatment of the trade, economic-security and national-defense aspects of regular shipping gives rise to incalculable consequences for the developing countries and, above all, places very serious restrictions on their shipping companies.

The Shipping Act gives the Federal Maritime Commission wide-ranging powers to institute legal proceedings precisely to assure access for U.S. vessels to third-country shipping in which the United States is not involved and for all vessels in bilateral trade.

A section of this act lists the conditions that are deemed to unduly restrict the competitive access of U.S.-flag vessels to cargo and to trade between non-U.S. ports,

including related intermodal movements. Moreover, it implicitly stipulates that the national cargo-reserve systems are valid as long as they make possible on reasonable conditions "effective and equal access to the cargo of other vessels that are involved in the foreign trade of the United States." This section poses a real problem for the developing countries. ECLA indicates: "In the present-day market with its chronic excess tonnage, mathematically exact equal access could result in no regular shipping company having a large enough cargo to justify a trip from an economic standpoint."

[24 Feb 89, p 45]

[Text] The OECD was created, among other things, to promote various trade-expansion policies. The 24 developed nations that make it up agreed to emphasize the reduction of barriers to the exchange of goods and services and to extend decontrol of capital movements. The decontrol of all international-shipping services and related freight charges are specifically included in the guidelines.

An ECLA study indicates in this regard that "the residents of an OECD state have unlimited opportunity to take advantage of the international-shipping services offered by the residents of another state." This is followed by a requirement that international-shipping services must not be hampered by measures such as exchange controls, preferential treatment or preferential clauses in trade agreements for certain flags, so as to assure that normal commercial considerations "are the only ones that determine the method and flag of shipment."

Doubts

In any event, the United States did not support the decontrol of international-shipping services, even though such a stand is at odds with its own suggestion that all services be discussed in GATT. We will thus have to see whether this country will allow the national-defense aspects of its maritime policy to be predicated on the international organization's recommendations.

In their deliberations the United States and the Consultative Group on Shipping, which consists of more than 10 European countries and Japan, have sought to harmonize the policies of the Old Continent and America on regular liner shipping, especially concerning immunity to monopolies. Lately they have expressed their fervent commitment to maximizing the amount of cargo subject to competitive access, to preventing the implementation of new government measures and to opposing the measures promoted by third countries that are designed to exclude or limit the competitive access of the shipping companies of the other participating countries to their trade cargoes. They indicate that "the participants will uphold the right of the commercially operated lines that are not affiliated with a syndicate to compete freely for the cargo of liners."

In the final accounting, if the developed countries can coordinate shipping policies and acquire a major commercial capability, they will be able without difficulties to dictate international policy for regular shipping. They are confronting protection by assuring that their regular shipping companies, whether affiliated with a syndicate or not, have competitive access to the cargo of third countries.

[2 Mar 89, p 41]

[Text] Since the early 1970's several factors have caused the EEC countries to become aware of the need to work out a common shipping policy.

Back in 1986 the EEC, in a show of support for the U.S. Shipping Act, approved the principle of decontrol in providing shipping services between EEC member nations and third countries, [line or lines missing] regulations on unfair competition and price-fixing in shipping and on coordinated measures to safeguard free access to cargo in maritime trade.

An ECLA report underscores: "As in the case of the Shipping Act, to understand the regulations, regular liner shipping must be a market for sellers and buyers, and the authorities of the Community must have between 10 and 15 years to interpret the creative maneuvers of the lines, the syndicates and the haulers that are seeking to reduce what they regard as unnecessary cargo."

Latin American businessmen are looking very closely at this policy and at the new principles because of their potential consequences.

One of the articles in the provisions passed in this regard by the EEC Council of Ministers demands that the existing bilateral accords between EEC member states and third countries be gradually eliminated in accordance with the timetable provided in the same regulations.

In turn, bilateral accords should also be gradually eliminated for shipping between member states and third countries on vessels that are not owned by nationals or operated or controlled by the EEC.

Influence

The ECLA study indicates that making the exemptions as a whole contingent, among other things, on not preventing the operation of nonsyndicated vessels on a commercial route, is "extremely important" for Latin American bilateral shipping accords and cargo-reserve requirements. "Maritime syndicates are allowed to continue their historic practice of using loyalty arrangements, be they immediate or deferred tariff rebates, but to bring them to an end they must now meet the conditions for duties, time periods and penalties," it adds.

In the final accounting, if the rules of the EEC council are accepted, they could have a considerable impact on bilateral shipping accords and cargo-reserve requirements in Latin America. One of the consequences is that the shipping companies of EEC countries, or vessels registered in a member state, could try to secure support when measures adopted by third countries or by their agents restrict or threaten to restrict the Community's free access to cargo.

Relations

How should Latin American countries react to this new model?

The 1960's marked the beginning of relations between the EEC and its former overseas territories in the areas of conventions, commerce, development and investment. For example, the Fifth Convention on Commerce and Investment (LOME III), signed by the Community and 65 countries in Africa, Oceania and the Pacific, gave the latter access to European commodity markets and sources of financial and technical assistance for trade-promotion programs.

New Members

Now that Spain and Portugal have joined the Community, Latin America could accede to the convention. One of its main provisions, having to do with establishment and services, demands reciprocal, nondiscriminatory treatment for national companies by all contracting parties.

ECLA's proposal is clear: Latin American countries ought to join the convention.

Bolivia

Poll Shows Voters' Preference for Banzer

PY0504230989 La Paz EL DIARIO in Spanish 26 Mar 89 pp 5, 6

[Excerpts] If the presidential elections were to be held tomorrow, for whom would you vote? This was the question asked in an electoral poll exercise, which yielded the following results: ADN [Nationalist Democratic Action] candidate Hugo Banzer got 25 percent of the votes; MNR [National Revolutionary Movement] candidate Gonzalo Sanchez de Lozada got 20 percent, while MIR [Movement of the Revolutionary Left] leader Jaime Paz Zamora got 14 percent. None of the candidates of the FSB [Bolivian Socialist Falange], IU [United Left], MRTKL [Tupac Katari Revolutionary Movement of Liberation], CONDEPA [Conscience of the Fatherland], or the MIN [Nationalist Leftist Movement] got more than 10 percent of the votes. In La Paz, CONDEPA leader Carlos Palenque won second place with 21 percent of the votes. [passage omitted]

The electoral exercise was based on accidental sampling [muestra aleatoria]. It was carried out in specific zones, where the density of the population was taken into consideration, keeping in mind sex and age. This method affords a better analysis of electoral preferences. [passage omitted]

* MIR Vice-Presidential Candidate Interviewed

33480139a Cochabamba LOS TIEMPOS in Spanish 26 Feb 89 p B-5

[Interview with Gustavo Fernandez Saavedra, vice-presidential candidate of the MIR; date and place not given; first five paragraphs are introduction]

[Text] Dr Gustavo Fernandez Saavedra, vice-presidential candidate of the MIR-Nueva Mayoria [Movement of the Revolutionary Left-New Majority], was interviewed by our editorial staff regarding the characteristics of the Jaime Paz Zamora program since this well-known diplomat joined the MIR ticket.

Gustavo Fernandez was the founder of the Socialist Democratic Movement, a party which has virtually fused with the MIR within the framework of the "new national majority." He served as minister of foreign affairs during the interim government of Dr Walter Guevara Arze. During this administration Bolivia achieved one of its most important diplomatic victories with the multilaterization of the maritime problem during the Assembly of the OAS held in La Paz shortly before the coup d'etat which overthrew that administration in November 1979.

Gustavo Fernandez was later ambassador to Brazil and minister of foreign affairs in the government headed by Hernan Siles Suazo.

He worked on the Latin American Economic System (SELA) and on the Committee of the Cartagena Accord.

Like a majority of the candidates for the top leadership of the country, Gustavo Fernandez Saavedra was born in Cochabamba.

[LOS TIEMPOS] How do you regard your nomination as the vice-presidential candidate of the MIR?

[Fernandez] My nomination as a vice-presidential candidate is a factor of secondary importance in view of the leadership of Jaime Paz Zamora and in view of the importance of the New Majority's program. It has more symbolic importance than anything else.

[LOS TIEMPOS] Symbolizing what?

[Fernandez] Symbolizing the decision of the MIR to go beyond the limits of its party and open itself up to the rest of the country. Showing other Bolivians with or without political affiliations that here is a political program in full formation and growth and that there is room for all of them in this political program, provided that

they share our values. For there is no question of opening the doors to any form of opportunism. I think that that is the symbolic message which the MIR-New Majority has given to the country with my nomination as a vice-presidential candidate.

[LOS TIEMPOS] The forces opposing the MIR insist on remarking that Paz Zamora represents the return of the UDP [Democratic and Popular Unity] to national life. However, the MIR maintains that it has many differences with the UDP. What are those differences?

[Fernandez] Before pointing out those differences, let me first comment on the effort that the conservative groups are trying to make, treating the MIR as a satanic form of the UDP. I wish to repeat something which I said in a previous interview. There is the objective fact that the UDP no longer exists. Former members of the UDP are to be found in virtually all of the political organizations taking part in the May elections.

[LOS TIEMPOS] The MIR is also among those political organizations.

[Fernandez] The MIR too, but not only the MIR. The MNR [Nationalist Revolutionary Movement], for example, includes several elements from the UDP. There is also the 20th Century Group, which was the principal nucleus of the initial administration of President de Siles Suazo. Furthermore, General Banzer has just entered into a political alliance with the Christian Democratic Party which, as you probably remember, was a part of the de Siles government, although technically outside of it. It took part in all of the meetings of the National Executive Committee of the UDP and in all of the political decisions of that government. The United Left owes so much to the Free Bolivia Movement, several of whose members belonged to the UDP, as well as to the Communist Party, which was one of the important elements in that government.

None of them has the right to throw stones and attribute only to the MIR responsibility for what the UDP did. However, I am not trying in any way to free the MIR of its responsibilities. For certainly the UDP reflected particular conditions of Bolivian history, despite the limitations of its relationship with the rank and file of the party and its political structure. The UDP was a fragile and temporary alliance of forces which, nevertheless, played an important role in the consolidation of the democratic process.

[LOS TIEMPOS] Nevertheless, the MIR was the father of the "dedollarization" decree. The MIR, within the UDP, was the party which planned and carried out the dedollarization process. Will you do that again?

[Fernandez] I was not involved in the dedollarization process, because at that time I was ambassador to Brazil. That does not mean that I am avoiding my responsibilities in connection with the administration of President Siles. However, I can answer clearly and categorically that the MIR will not repeat the dedollarization experiment.

[LOS TIEMPOS] Why?

[Fernandez] Because the economic and political circumstances now are radically different from those in 1984 and because, furthermore, it was proved that this action did not meet the economic needs of the country. You cannot expect that a party as serious as ours is would make an error in beginning its economic management of the country.

[LOS TIEMPOS] How will the MIR-New Majority assume responsibility for the New Economic Policy which succeeded in stabilizing the national economy and the imbalances which the policies of the UDP caused? How does the MIR regard this process?

[Fernandez] We will assume that economic stabilization and the consolidation of the democratic process are the end of a long cycle covering a decade of economic and political instability and social agitation, each of which influenced the other. It was not possible to separate economic management from political instability, for which all of the political parties of the country are responsible. That cycle had to be ended because, quite simply, it was insupportable. The country reached the conclusion that political instability was not only the consequence but the cause of its economic backwardness. And that is why, finally, in spite of the conservative forces, the way is open for the institutional growth of the country, which brings with it the need to face up to control of the economy. That process has ended, and we believe that we cannot continue to be paralyzed at the stage of stabilization. We cannot continue to be gripped by the fear of breaking up this stability. We must strengthen stability in the sense that stability is no longer the main theme of political discussion. It was in the elections of 1985 but it is not so in the elections of 1989.

[LOS TIEMPOS] What is the central question now? Economic recovery?

[Fernandez] Not only economic recovery. What we must now discuss is the matter of economic development. We must lose our fear of development, a fear which seems to tie the hands of the authors of the New Economic Policy, who do not have the courage to advance any further in order to avoid changing the framework of economic stability. We do not have that kind of fear. We are not going to break up economic stability, because that stability is the point of departure for any serious economic policy. We are not afraid of development. We believe that the country must get moving.

[LOS TIEMPOS] What is meant by development in that sense?

[Fernandez] Basically, it involves two lines of action: building the domestic market and regaining international competitiveness, building the domestic market on the basis of development. It does not only mean economic recovery, because you cannot bring back to life what is dead. Much of the Bolivian economy had died. It means building the domestic market on the basis of agriculture and on small and medium-sized industry. That is not a utopian choice. It is a concrete possibility. Furthermore, there is one aspect which was systematically neglected by the New Economic Policy of the present government. I refer to the need to regain international competitiveness.

[LOS TIEMPOS] Does not, perhaps, the system of free trade on which the present policy is based point to that?

[Fernandez] On the contrary, and this is not a matter simply of opening up the customs barriers and establishing a rate of exchange which will apparently favor exports. The world market of today is so competitive that it will require a systematic and constant effort to enter it. Bolivia is a country which has been constantly displaced and pushed aside from the currents of the international market. We need to raise the serious problem of the creation of conditions for the recovery of that competitiveness. It happens that the prerequisite of that search for competitiveness is the training of our human resources. This is because in the world of the year 2000 the principal economic value will be knowledge, and knowledge is to be found in people. Paradoxically, the government which says that it is modernizing the economy of the country is the government which is destroying our human resources. That is an insurmountable contradiction. The country cannot make progress as long as the ordinary Bolivian is condemned to less education, less food, and lower levels of participation. From this arises the need for social action, which we are raising very emphatically, not for philanthropic or demagogic reasons but rather because it is the key to regaining our international competitiveness.

[LOS TIEMPOS] Doctor Fernandez, you have held important diplomatic positions as minister of foreign affairs and as ambassador in the Walter Guevara and Siles Suazo governments. From those positions what similarities or differences did you see between the two governments?

[Fernandez] The foreign policy of both governments was very similar. The basic foundations of the foreign policy of the country were the same, and the two governments sought the same objectives: democratization of international relations, participation in the processes of Latin American integration, reaffirmation of the dignity of the country in international forums, the systematic search for a solution to the problem of the landlocked status of the country, and a clear understanding of the relationship between multilateral action and bilateral efforts in seeking a solution to the maritime problem of Bolivia. I think that the similarities between both governments were very substantial, not only because there was a single minister of foreign affairs, but rather, in addition, because the breadth of vision of both presidents was very similar.

[LOS TIEMPOS] And regarding domestic policy?

[Fernandez] The government of President Guevara was always, by definition, a government of transition.

[LOS TIEMPOS] Apparently...

[Fernandez] No.

[LOS TIEMPOS] The attitude of President Guevara did not leave that impression. Perhaps the coup d'etat led by Natusch occurred specifically because of the unwillingness of Doctor Guevara to make a transition viable.

[Fernandez] That was an argument used by the supporters of the coup d'etat. They spread the rumor that President Guevara wanted to remain in office. Bedregal came to that conclusion. However, that was not the case. The Guevara government was in office to provide a democratic transition, and we were determined to do that. What happened was that the economic measures which had to be applied required some time for their implementation. You could not begin to apply an economic plan, beginning in August, and call for elections in September. The preparation of an economic program took 6-8 months, and putting it into practice in the midst of elections would have no effect. Doctor Guevara suggested an administration of 2 years to take charge of a program of economic action or calling for elections and postponing economic solutions. However, he did not ask for an extension. He only said that 2 years were needed to lay the economic foundation on which to consolidate democracy. However, naturally, his opponents, who are the same people who support him now, seized on that argument to provoke what they had really wanted for a long time: seizing power. However, that power lasted 2 weeks and threw the country into confusion.

[LOS TIEMPOS] Let us talk about the elections in May. A majority of the polls agree in forecasting an eventual stagnation in Congress following the May elections. The MIR, the ADN [Nationalist Democratic Action], and the MNR [Nationalist Revolutionary Movement], the principal parties, will not get enough votes, that is, 50 percent plus 1, to succeed in forming a government without previously reaching parliamentary agreements. What will the MIR do in view of that prospect?

[Fernandez] I think that it is premature and risky to talk about what is going to happen in August 1989. Let us first pass the test of the elections in May 1989. That is the first step. The polls are of very relative value. However, I can assure you that that there will not be a

repetition of the electoral confusion of 1980 or 1979. I think that the electoral process has reached a sufficient level of maturity to find an appropriate, constitutional solution.

[LOS TIEMPOS] Then you do not believe in the solution of a coalition government in this case.

[Fernandez] No. I am speaking of a government, not a coalition government. I am speaking of a constitutional solution to elect a government.

[LOS TIEMPOS] The 1985 experience gave us the solution of a coalition government.

[Fernandez] Let us wait and see what the balance of forces is after May 1989.

[LOS TIEMPOS] Nevertheless, let me raise the hypothesis that the MIR would find itself forced to vote for the MNR or the ADN, in order to ensure the continuity of the democratic process.

[Fernandez] You may insist, but I do not like to work on the basis of an hypothesis.

[LOS TIEMPOS] If the choice were between the MNR or the ADN, which would the MIR choose?

[Fernandez] I am not going to comment on that hypothesis. We must wait for the May elections and then we will have a complete and clear view of the situation.

Official Comments on Importance of Sea Outlet

PY0604034489 La Paz EL DIARIO in Spanish
2 Apr 89 p 1

[Quotation marks as published]

[Text] Yesterday, Acting Foreign Minister Jorge Gumucio Granier said: "Bolivia's priority foreign policy issue is to claim a permanent sea outlet—to negotiate through diplomatic channels a sovereign and useful outlet to the Pacific Ocean."

Speaking to EL DIARIO in the city of Riberalta, Gumucio Granier said the importance that the government attaches to Bolivia's right to recover a sea outlet through diplomatic channels "is established in Bolivian foreign policy, which holds that it is essential to press the sea outlet issue."

Gumucio Granier added that the spirit behind the government's actions to make diplomatic progress on this issue is the idea that "the countries involved must solve Bolivia's landlocked situation."

The acting foreign minister was asked about a statement made in Madrid, Spain, by Foreign Minister Valentin Abecia, who asserted that Bolivia "does not have any territorial claims over the portion of land that was appropriated by Chile after the 1879 war."

Gumucio Granier said: "It must be noted that Foreign Minister Abecia made this statement in Spain and that, according to what was published in the press, his statement may have been distorted. Nevertheless, it is true that Bolivia will handle the issue in a different manner when a democratic government assumes power in Chile. Negotiations will be more open then.

Gumucio Granier categorically stated that the majority of the international organizations that are aware of the Bolivian position "have invariably supported Bolivia's right to a sea outlet on several occasions. They have also suggested that through diplomatic channels Bolivia and Chile establish a bilateral dialogue on the issue."

On other matters, Defense Minister Alfonso Revollo Thennier has said that the government that assumes power in August "must continue to development and modernization programs for the Armed Forces, because under the Paz Estenssoro administration the Armed Forces have received unprecedented support and have made great progress."

After inaugurating the "Bague" Navy Infantry Battalion installations in Riberalta and the "Alfonso Gumucio Reyes" multipurpose boat in Guayaramerin, Defense Minister Revollo Thennier said he was surprised that political parties and political candidates have not discussed the Armed Forces' development and potential to serve the people.

Government Not To Allow Herbicides on Coca

PY0504220689 La Paz EL DIARIO in Spanish
29 Mar 89 p 3

[Text] Minister of Agriculture, Campesino Affairs, and Livestock Jose Guillermo Justiniano has said that Bolivia will not allow herbicides and the use of force to eradicate coca.

Asked about some U.S. sectors that advocate herbicides and the use of force to eradicate the coca plantations, Justiniano said: "We do not have to adjust our policy to accommodate some U.S. sectors because we have the advantage of the law in this regard and we will abide by that law."

He added: "Even if the U.S. people or government want to use herbicides to eradicate coca plantations the Bolivian law forbids it. Any Bolivian using herbicides will, therefore, face being charged by the appropriate government organizations."

Regarding the use of force to eradicate the coca plantations Justiniano said that "eradication is allowed by law only in the "C" zone and not in Chapare and Yungas."

Justiniano categorically said that "the Bolivian Government will not use herbicides under any circumstances because it is against the law. No pressure is going to make us violate that law and any government that violates it will have to explain it to the country."

Regarding the U.S. aid for the struggle against drug trafficking, Justiniano said that some adjustments were made in the last few months. The Bolivian Government is now in condition to start a real process to replace the coca plantations. About $10 million have been allocated to replace 5,000 hectares of coca. This amount will allow payments of $2,000 per hectare of replaced coca.

An additional $20 to $30 million have also been allocated as credit to farmers and to build basic agricultural facilities.

Justiniano also said that he met with President Victor Paz Estenssoro whom he briefed on his trip today to Brasilia to attend the meeting of the agriculture ministers of Latin America and the Caribbean to study issues related to the environment.

He said that the Bolivian position on this issue is that "we should exploit the renewable natural resources in such a way as to maintain the resources and under no circumstances destroy the natural forests."

Planning Minister Discusses IDB Meeting

PY0504205289 La Paz PRESENCIA in Spanish 23 Mar 89 p 12

[Text] In the latest Inter-American Development Bank [IDB] governor's meeting, which took place in Amsterdam, Bolivia requested loans with more flexible terms because of the serious development problems faced by this country, which is trying to overcome its economic crisis.

This petition was made by Planning Minister Fernando Romero. It reflects the concern of Bolivian economic authorities over interest rates, which are sometimes very high, charged by the international organizations and by creditor countries.

Romero said that the main problems of the foreign debt, that was contracted with international organizations, are the high interests rates charged on some credits and the large matching funds—which sometimes reach 20 to 25 percent of the credit—demanded by the financial organizations.

Some of the IDB credits carry an 8 percent annual interest rate. This loan contracts are based on the Libor interest rate which has increased in the past few years, making the Latin American debt burden heavier.

In 1988, the Bolivian Government paid $189.9 million. This amount corresponds to payments of interest and amortization of principal. Of this amount, $144.1 million was paid to international agencies, $40.2 million to foreign governments, and $5.6 million to foreign private banks. This information was released by the Bolivian Central Bank on 23 March.

These payments, however, are not proportional to the debt.

Based on a Central Bank report, PRESENCIA has concluded that foreign governments account for 55 percent of our debt, international agencies account for 32 percent, and private banks account for 11.6 percent.

This means that even though our debt with international agencies is smaller than the debt with foreign governments, the largest payments have been devoted to meet the obligations with the international agencies.

In his capacity as IDB governor, Romero demanded in Amsterdam a fair approach to the foreign debt problem, "recognizing that there are differences between nations and that, consequently, credit terms should not be the same for every nation." This information is included in an EFE report datelined Amsterdam.

The EFE report says that the minister "explained the sacrifice required in repayments on the debt." The report adds that to repay the entire foreign debt, Bolivians would need to devote all their income for one year, while the average Latin American citizen would need to devote only 50 percent of his annual income.

The minister submitted to the IDB meeting a summary of "the economic adjustment program, the implementation of which began in August 1985. This program reduced the 24,000-percent inflation rate of 1985 to 6.4 percent in the first quarter of 1989."

The Bolivian mission in Amsterdam will contact representatives of creditor countries, within the framework of the IDB meeting, to lay the groundwork for the renegotiation of the debt owed to foreign governments.

Official Announces Japanese, World Bank Loans

PY0504172589 La Paz EL DIARIO in Spanish 28 Mar 89 p 1

[Summary] In an impromptu news conference last night, Finance Minister Ramiro Cabezas announced the approval of two loans for Bolivia.

The Japanese Government has approved a so-called RIC-II [not further identified] loan for about $47 million. This loan has the same conditions as those prevailing for large World Bank loans; that is, a 40-year payback period, a 10-year grace period, and a 0.75-percent annual interest rate.

In turn, the World Bank yesterday agreed to return the funds that Bolivia has been paying back for "soft" loans, totaling $11.3 million.

Acting Health Minister on AIDS Cases

PY0504135089 La Paz La Red Panamericana in Spanish 1130 GMT 5 Apr 89

[Text] Acting Health Minister Dr Alberto Suarez has confirmed the existence of eight AIDS cases in Bolivia.

The acting health minister said that of these eight cases, six were reported as Bolivian citizens—five of whom have already died, while one is receiving medical care at the Hospital de Clinicas. Suarez added that two foreigners who suffered from AIDS were repatriated to their respective countries of origin.

Acting Health Minister Dr Alberto Suarez reported that in the course of medical controls the Department of AIDS Prevention in Risk Groups [Departamento de Lucha Contra el SIDA en Grupos de Riesgo] detected the existence of nine cases of AIDS carriers. Of these cases, three were reported in foreigners, who have already been repatriated, while the other six cases are being monitored in the cities of La Paz and Santa Cruz.

Dr Alberto Suarez said the risk groups are comprised of homosexuals, bisexuals, and prostitutes, all of whom undergo the Elisa test, which detects the presence of the virus.

Brazil

Sarney Opens 18th River Plate Meeting

PY0504001189 Brasilia Domestic Service in Portuguese 2200 GMT 4 Apr 89

[Excerpt] President Jose Sarney has opened the 18th meeting of foreign ministers of the River Plate Basin countries. Brazil, Argentina, Bolivia, Paraguay, and Uruguay are represented at the meeting, which will end tomorrow. It is being held at Itamaraty. In his opening remarks, President Sarney said that integration is imperative to the future of Latin America.

[Begin Sarney recording] If we unite we will be better prepared to confront the obstacles of a totally adverse international economic situation, and we will guarantee our people a future of prosperity to which we are legitimately entitled. We will become stronger as our democratic institutions become stronger. [end recording] [passage omitted]

Nobrega on 'Positive' IMF Meeting Results

PY0504022289 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 4 Apr 89

[Statement by Finance Minister Mailson da Nobrega to unidentified reporters in Washington; date not given—recorded]

[Text] We have received a great incentive to begin working right now on a process that will lead to a decrease either in the foreign debt or in the servicing of the foreign debt.

As is stated in a news communique, the IMF Interim Committee has announced that a great effort must be made for a substantial decrease in either the foreign debt or in the servicing of the foreign debt.

I believe that the meeting has yielded highly positive results. There is a sense of urgency about the need to solve this crucial problem.

Embassy in Lebanon Attacked; No Casualties

PY0504032489 Brasilia Domestic Service in Portuguese 2200 GMT 4 Apr 89

[Text] Foreign Minister Roberto Abreu Sodre said at Planalto Palace this afternoon that the attack on 3 April against the Brazilian Embassy in Beirut caused damage but no casualties.

[Begin Abreu Sodre recording] We have taken measures in connection with the attack. We sustained material losses, but the attack fortunately caused no casualties. [end recording]

Railroad Workers, Military Police Clash

PY0504011689 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 4 Apr 89

[Text] Ten people have been hospitalized following a clash between military police and railroad workers. The incident occurred at the Brazil Central Railroad station. The disturbance started at about 2100 GMT when railroad workers held a stoppage in solidarity with a colleague who had been punished. At that time of day trains of the Brazil Central Railroad transport 60,000 commuters between downtown Rio de Janeiro and city suburbs.

Several buses, fences, and windows were damaged during the incident. Some passengers who were aboard railroad cars at the time have reported that shots were fired, and one passenger reported that a bullet grazed his leg.

The authorities called 500 military police to bring the situation under control. Many passengers remained inside the railroad cars but the Brazil Central Railroad trains have not yet resumed services. So far, six people have been arrested.

Results; Rail Station Calm

PY0504192689 Rio de Janeiro Rede Globo Television in Portuguese 1600 GMT 5 Apr 89

[Excerpts] Trains are functioning normally in Rio de Janeiro following last nights' conflicts that were caused by the railroad workers' decision to stage a stoppage. For 3 hours, Brazil Central Railroad Station policemen, passengers, and military policemen clashed. At 1800 yesterday, the railroad workers decided to suspend the suburban service. Thirteen trains bound for the suburbs remained at the station, which was crowded at the peak of the rush hour. As a result, indignant passengers broke windows, destroyed buses, and stopped the traffic in nearby streets. [passage omitted]

Early this morning, however, calm reigned in the station and trains were functioning normally. The people arrived and left the station calmly, but signs of yesterday's violence could still be seen. [passage omitted]

All but 2 of the 32 people who were injured during the riot have already left the Souza Aguiar Hospital. Of these 8 were shot and 24 stoned and beaten with bats. Luis Carlos Sampaio, 30, and Marilze Jeronimo, 35, are the only two that remain in the hospital. The medical bulletins state, however, that their lives are not in danger.

According to the Collective Transportation Companies' union, 52 buses were damaged yesterday. [passage omitted]

Those detained last night have already been released.

The railroad workers' union did not release any official note on the stoppage that caused the riot at the Brazil Central Railroad Station. The union leaders will grant a news conference this afternoon.

The SBTU [Brazilian Urban Trains Company] will open an administrative investigation on the case. SBTU regional superintendent has said that railroad policemen wear guns and may have injured the passengers during the incident. [passage omitted]

* Brazil, Iraq To Develop Rockets Jointly

36990006 Rio de Janeiro O GLOBO in Portuguese 19 Mar 89 p 46

[Text] Sao Jose dos Campos, Sao Paulo—Over the next few years Brazil and Iraq may join in a wide-ranging program of scientific and technological cooperation to train Iraqi engineers and researchers, and to develop aircraft, rockets, satellites, and weapons.

Negotiations are now beginning. They involve the Brazilian Air Force, the Ministry of Foreign Relations, Embraer [Brazilian Aeronautics Company], Orbita Aerospace Systems, Engesa [Specialized Engineers, Inc], the Aerospace Technology Center [CTA] and the National Institute of Space Research [INPE].

As of now, the most promising part of the program is the joint development of satellites and missiles. The remote sensing satellite, expected to be developed using INPE's technology, will have civilian and military applications. The terms of the agreement, however, have not yet been defined. Iraq is also interested in acquiring technologies relating to rockets and missiles capable of launching satellites, and is disposed to finance part of the Brazilian Spoace Program in exchange for the technology.

The initial understandings relating to this cooperation were reached last December when a contingent from the Brazilian Air Force visited the various Arab countries. Shortly thereafter, the Iraqis consulted with Major General Hugo de Oliveira Piva, a former director of CTA and of the R&D division of Orbita Aerospace Systems.

Hugo Piva did confirm that an initial understanding was reached with Iraq relating to a satellite program. He added, however, that the idea has not evolved further because INPE must first discuss the matter with the Government, before negotiations between the two governments can begin. INPE's director, Marcio Barbosa, is aware of the proposal, but he prefers to wait for additional contacts with General Hugo Piva so that documents relating to the matter can be exchanged.

PRC President To Visit 3-12 June

PY0504121289 Brasilia Domestic Service in Portuguese 2200 GMT 4 Apr 89

[Text] PRC President Yang Shangkun will visit Brazil in response to an invitation from President Jose Sarney. According to a note released today by Itamaraty, the PRC president will arrive in Brazil on 3 June. He will visit Brasilia, Manaus, Sao Paulo, and Rio de Janeiro. His visit will end on 12 June.

Stroessner Family Requests Political Asylum

PY0504012589 Rio de Janeiro Rede Globo Television in Portuguese 2300 GMT 5 Apr 89

[Text] The Paraguayan courts today summoned former President Alfredo Stroessner to testify in a case involving opposition member Mario Prone [as heard], who died 13 years ago as a result of torture. General Stroessner is currently residing in Guaratuba, Brazil.

The judge who summoned the former Paraguayan president said that if Stroessner does not appear in court, he will decree a preventive imprisonment against him. That would be tantamount to an automatic extradition request.

Also today, Gen Stroessner's son, Gustavo Stroessner, officially requested political asylum from the Brazilian Government. The Brazilian Government has been requested to grant asylum to former Paraguayan President Alfredo Stroessner; his son, Gustavo Stroessner; and Gustavo's wife, all of whom are residing in Brazil as tourists.

'Displeasure' Over Hague Declaration Publication

PY0404234389 Brasilia Domestic Service in Portuguese 2200 GMT 4 Apr 89

[Text] A note has been sent from Itamaraty to the French Embassy expressing Brazil's displeasure over the publication by French papers of the Hague declaration. The Foreign Ministry is surprised that the newspapers FIGARO, LE MONDE, and LIBERATION have published the Hague declaration with an introduction that says that 24 countries are ready to give up part of their sovereignty for the sake of mankind. The note says that Brazil opposes this statement which is not part of the Hague declaration. The Brazilian Government is a signatory of the Hague declaration.

Rezek Assumes Electoral Court Presidency

PY0504115489 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 4 Apr 89 p 6

[Summary] Brasilia—Judge Francisco Rezek today took office as the new president of the Supreme Electoral Court (TSE), with the mission of running the first direct elections for president of the Republic in 29 years. Rezek is 45 years old and is considered a liberal.

Oil Well Discovered in Amazonian Region

PY0604000489 Brasilia Domestic Service in Portuguese 2200 GMT 5 Apr 89

[Text] Petrobras [Brazilian Petroleum Corporation] hopes to obtain more oil from the Urucu River Basin, in the upper Amazonian region. (?This possibility) was mentioned by Amazonia Occidental Superintendant (Amaro Apoloceno), who based his conclusion on the production figures of the new (Carapanauba) well, 28 km southeast of the pioneer well in Urucu. The (?gas produced) by the well, which is of good quality, totals 189,000 cubic meters. The well also produces 250 barrels of condensed oil per day. The new discovery will permit the opening of new areas and the drilling of more wells.

Chile

Pinochet Appoints Several New Ministers

PY0504225089 Santiago Television Nacional de Chile Network in Spanish 2210 GMT 5 Apr 89

[Decree read by Gonzalo Garcia, under secretary of the Interior Ministry, during swearing-in ceremony of new ministers at La Moneda Palace—live]

[Text] Decree No 520, Santiago, 5 April 1989.

Whereas, Article 32, Clause 9 of the National Constitution:

Article 1. The resignations submitted by Brigadier General Manuel Concha Martinez as minister of economy, development, and reconstruction; Hernan Buchi Buci as minister of finance; and Miguel Angel Poduje as minister secretary general of the government are hereby accepted as of today.

Article 2. As of today the following ministers have been appointed: Pablo Baraona Urzua as minister of economy, development, and reconstruction, who will continue to hold his current position as minister of mining; Brigadier General Enrique Seguel Morel as finance minister; and Brigadier General Oscar Vargas Guzman as minister secretary general of the government.

It is so ordered. General Augusto Pinochet Ugarte, president of the Republic. Carlos Francisco Caceres, minister of interior.

New Protocol Director

PY0404163489 Santiago EL MERCURIO in Spanish 30 Mar 89 p C-3

[Summary] Luis Larrain Cruz has been appointed as the new Foreign Ministry Protocol Director, replacing Mariano Fontecilla.

Pinochet Speaks at Ceremony

PY0604023489 Santiago Television Nacional de Chile Network in Spanish 2221 GMT 5 Apr 89

[Speech by President Augusto Pinochet during swearing-in ceremony of new cabinet at La Moneda Palace—live]

[Excerpts] Messrs Ministers of State, Messrs Generals and Admirals, Mr Director of the Investigations Police, Messers Under Secretaries, ladies and gentlemen, Chileans:

As I have repeatedly said, our country is going through the most crucial phase of the institutionalization process leading toward full, stable, and participative democracy. The process calls for daily efforts to consolidate the path of freedom, along which we have walked together over the past 15 years, despite all the obstacles that were placed in front of us.

The democratic system that the majority of the people freely chose in 1980 is the only real path to the spiritual and material development that Chile deserves. Our nation has been built upon a sound set of principles that have clearly identified Chile as a member of the community of free nations of the Western world.

In this particular situation, and taking into account the circumstances prevailing in our country, I think it necessary to make some remarks that I believe are very important for the achievement of the objective that all of us cherish.

We can now calmly look back on the past. It is essential to recall again the firm reasons for the liberation of 11 September 1973, because many people now want our fellow countrymen to forget the tragic days before that date. They do not want Chileans to compare that time to the peace, progress, and well-being of the present day. [passage omitted]

Countrymen, the important thing about the Armed Forces and the Police is their spirit of sacrifice and their overriding interest in making Chile a greater and more prosperous nation. This clear goal has always demanded that we make decisions realistically and responsibly. We will always review those decisions in order to guarantee that our goals are fulfilled.

This is part of the dynamic force of running the government that the majority of the people entrusted to me in 1980. This is the reason for reshuffling the cabinet to meet the new circumstances facing the nation.

Countrymen, the ministers who are leaving their positions have served the nation at a very important time in our history. They therefore deserve the recognition of all Chileans. They have done their job with great self-denial and with an authentic spirit of sacrifice. I would therefore like to express to them my grattitude and great appreciation.

We owe Finance Minister Hernan Buchi Buci the fruit of an economic policy that has not only brought real well-being to all Chileans, but has also brought our country to a level of development without precedence in our history. It is therefore my obligation to emphasize the seriousness and responsibility of his administration, as well as his highest loyalty to the values and principles on which the authentically free society we have built for our dear country is based.

It is also a moral duty to emphasize the merits of Miguel Angel Poduje, who is also leaving this cabinet. Thanks to his undeniable spirit of social solidarity, thousands of Chileans can own houses, as befits their dignity.

Friends, these men have fulfilled the missions entrusted to them by the president, and have fulfilled them with responsibility, imagination, moderation, and initiative. I am sure that their perseverance and patriotism are valued by us and will be valued by future generations of Chileans.

I also wish to express my gratitude to Brigadier General Manuel Concha Martinez, who until today was economy, development, and reconstruction minister, and who will now be appointed to an important post of my confidence.

These definitive steps have been taken to consolidate their Constitutional position. [sentence as heard]

The distinguished personalities who today join the cabinet have also taken on an important responsibility. They must assume this responsibility with the other members of the cabinet team with a patriotic and unselfish attitude.

All of them must continue to implement those policies that I have implemented, which have yielded well-known results. They must also help seek a consensus. This is an indispensable step if we are to confront the upcoming constitutional stage in a way that will safeguard the levels of development and well-being that Chile has achieved in all fields.

This consensus is needed to deal with an eventual constitutional reform. Constitutional reform must only seek to perfect constitutional provisions—but without changing any of its spirit, because it is an all-encompassing and indivisible organic tool.

Gentlemen: We must consolidate democracy and a free society, both of which are projects that have been promoted by this government.

Fellow Chileans: Chile has still much to give of itself. Chilean men and women have great creativity, and in these past years they have clearly shown their capacity for hard work and sacrifice.

There are still many challenges ahead of us. That is why we cannot step backward and adopt old formulas, such as that of the harmful Popular Unity, which have proven to be inefficient and which have caused so much suffering to our beloved fatherland.

The adoption of old formulas threatens to systematically and organically destroy all the work that the Armed Forces and the Carabineros have undertaken since 11 September 1973.

Fellow Chileans: the Armed Forces and the forces of order—In keeping with the popular mandate of 1980; in keeping with Act No 1 of the government junta, the oath to the constitution; in keeping with their exclusive authority; in keeping with the unavoidable imperative of preventing chaos and unrest from returning to our sovereign country—cannot but guarantee the constitutional order of the Republic. The extremely serious situation we are currently witnessing can affect the permanent and overriding interests of the Republic. I am talking about alliances or puppet groups—modern-day versions of the Popular Unity made up of new partners—which may gain power by disguising themselves with democratic ideals and which may stop our development and again threaten the freedom we have gained through so much sacrifice.

Let there be no doubt that the Armed Forces and the forces of order will continue to be the best bastion to safeguard the principles and values that identify this thriving country.

Today I again ask the Lord to help us fulfill our commitment. I demand that all Chileans help us with their responsible efforts to achieve those objectives that have been established. Those objectives will yield benefits that will be enjoyed by future generations of Chileans, who under no circumstances should suffer the anguish we have experienced in the past. Thank you very much. [applause]

* Status of Party Legalization Reviewed

33480124a Santiago ANALISIS in Spanish 20 Feb 89 pp 8-9

[Article by Libio Perez Z.: "Political Parties: The Struggle for Survival"]

[Text] Thirteen political parties have been legalized, and are entitled to run candidates for Congress. Another six parties are attempting to meet the requirements stipulated by law, otherwise, they run the risk of going out of existence.

If those who devised the Law on Political Parties thought that it would facilitate the establishment of a restrictive, bipartisan system and would prevent the proliferation of groups, they must be revising their calculations now. The election year is replete with initials and symbols that will represent nearly 20 groups. For some of them survival is guaranteed after the electoral process, while others will simply disappear once the legal regulations requiring them to have a minimal percentage of votes (the ominous 5 percent) are implemented. This being the case, several parties appear to be (as zoologists studying endangered species would say) "on the way to extinction."

According to a report issued in January of this year by the Electoral Service, an agency responsible for regulating the process of legalizing political parties, a total of 11 parties already had a legal existence and were subject to the regulations of Law 18,603. During February, however, the Independent Democratic Union (UDI) and the Broad Socialist Left Party (PAIS) joined the groups with national status.

In any event, the figures are not definitive. Every week, the political parties submit new memberships for their groups, even though many of them have far exceeded the minimal requirements. During the past few days, additional signatures were submitted on behalf of National Vanguard, the Party for Democracy, the Greens, and others; at the same time other groups were announcing new membership campaigns. And it is not that the campaigns are being run without reason. Every party hopes to confront the electoral contest with the largest possible number of members; this will enable them to negotiate under better terms for the few congressional seats at stake. What may happen after the elections is another story. For the present, what is involved for the parties (and particularly for the smallest ones) is to guarantee their survival which, in most instances, will depend on the representation that they achieve in Congress.

Currently there are 13 legalized parties that will be able to run their candidates in the December elections. They are: the National Party, which was registered in six regions; National Renewal, which submitted signatures from all over the country; National Vanguard, which completed its registration in all regions; Democratic Radical Party, which attained registration in seven regions; the Humanist Party, now having the status of a national group; the Radical Party, also registered throughout the country; Christian Democracy, with members on the national level; the Party for Democracy, already registered nationally; the Party of the South (the only one of a regional type by definition), registered in three regions; the Greens, which formalized its registration in five regions, including the metropolitan one; (Moraga's) PS [Socialist Party], in three adjoining regions; the Broad Socialist Left Party (PAIS), on the national level; and UDI, with the same status.

Nevertheless, several other parties applied for legal registration, and are struggling with the deadlines for submitting their memberships.

Still Unable

There are several parties still in the process of formation. For some, the deadlines are approaching. This holds true for the Liberal Democratic Party and the Democratic Party of Chile (PADECHI). Still pending are the processes for the formation of the Historical Socialist Party, the Social Democratic Party, and the Party of the Retired.

In a different area, the Social Democratic Radical Party [PRSD] failed to meet the deadline for submitting its signatures and gaining the status of a national-level group. The Radical leaders claim that they had the signatures, but that an error in the technical equipment allowed the Electoral Service to issue a decision cancelling their registration. Nevertheless, PRSD filed an appeal changing its registration based on the membership submitted, which will enable it to acquire the status of a regional party. Apart from the legal procedures and the "loopholes" to which it may be possible to resort, in political circles an evaluation is already being made of the costs that this might incur, both in Coordination for Democracy and United Left.

The Difficulties

The leaders of the parties being formed (and particularly those in the camp of the "no" forces) note that registering a group has become more difficult since the referendum, especially for those historically small groups whose reorganization is a recent phenomenon. Guillermo Toro, vice president of the Center Alliance Party (PAC), remarks that "the pre-referendum period facilitated the registration of opposition parties," because "people were signing to legalize instruments that would make it possible to control the event." He notes that, with the plebiscite over, affiliation is more ideological and doctrinaire.

To the foregoing the leaders of the groups being formed add the economic costs entailed by these processes. Estimated calculations indicate that the groups with national status have had to spend sums exceeding 10 million pesos as a minimum. The notarial procedure for legalization of a signature alone costs between 100 and 200 pesos on average, to which must be added the costs of advertising, transportation, materials, etc.

In the case of PAC, apart from its registration process, there is another factor of a political nature. PAC is something like an instrumental party for the present. The legal registration is being carried out through the Liberal Party, which has Hugo Zepeda as its legal president. But since the national sector headed by German Riesco could not be legalized, because the party's seal was retained by Patricio Phillips, it had to merge with the Liberals who had already begun the procedures. This being the case, PAC is a non-legalized "de facto party." The regularization of this merger process will not occur until May of this year, when a new board of directors is elected and Riesco's presidency is formalized.

In the case of the Party of the Retired (PJ), another group in the process of formation, the situation is different. "We were at the point of demise," claims its president, Juan Antonio Torres. PJ is but a few days from reaching the 210-day deadline specified by law to have the minimum number of signatures required. PJ lacks this number although, according to Torres, it appears as though it may be possible to reach the minimum number necessary for regional registration from regions IX, X, and XI. The PJ president notes that this would give them the opportunity to run a candidate for deputy.

At the close of this edition a new group announced its intention of having recourse to the law. It is the Land and Substance Party (PTE), which will request its registration from the Electoral Service. Thereafter, just as in the case of all the groups, the new party will have 210 days to complete its registration process. If it fails to do this, it will cease to exist, at least legally.

The 13 parties already legalized (see table) contain approximately 524,000 members, while the parties being formed would contribute a few thousand more members to the statistics. Political analysts claim that it will be increasingly difficult for the latter to attain the numbers. Even if they do achieve them, this year's electoral process will restructure the political map and will cause the transition to begin, possibly with new symbols and initials.

Party	Total Members	Type of Party
National Vanguard	38,948	National
Christian Democracy	47,599	National
Democratic Radical Party	17,809	Regional (six)
Humanist Party	64,656	National
National Party	29,868	Six Regions
Party for Democracy	43,109	National
The Greens	19,253	Five Regions
Party of the South	7,222	Regional
Radical Party of Chile	52,623	National
National Renewal	83,434	National
Chilean Socialist Party	8,173	Regional (three)
*PAIS	50,241	National
*UDI	62,000	National

Figures from Electoral Service, January 1989
*Unofficial figures

Copper Workers' Meeting Elects New President

PY0604013189 Santiago Domestic Service in Spanish 2300 GMT 5 Apr 89

[Summary] Tocopilla leader Darwin Bustamante was elected this afternoon as the new president of the Chilean Copper Workers Confederation, after a heated and agitated meeting that lasted more than 2 hours at the union headquarters. Communist and Socialist leaders, who were categorically defeated by the independent group and Christian Democrats, left the place very irritated.

Oil Prospecting Contracts Signed With Canada

PY0404145389 Santiago EL MERCURIO in Spanish 29 Mar 89 pp B-1, B-14

[Excerpt] Mines Minister Pablo Baraona yesterday signed two special operation contracts with Canadian company Eurocan (Bermuda) Ltd and the National Oil Company (ENAP) to conduct oil prospecting operations in the Chilean northern region.

These contracts add to those already signed with other companies, which are also looking for oil in the region. Two have been signed with Hunt Oil, which is operating in the Salar de Atacama region, and which will drill a well by June this year; one with the Shell subsidiary Pecten, also operating in the Salar de Atacama region; and another one, which is about to be signed with U.S. company Maxus Energy, that will prospect in the Salar de Punta Negra region.

The first contract signed yesterday is for prospecting in a 4,900-square km area in the Chiu Chiu region of El Loa Province, Antofagasta. The second is for a 2,920-square km area in the Pedernales and Maricunga salt deposits in Chanaral and Copiapo Provinces, Atacama Region.

The contracts were signed by the mines minister and ENAP Manager General Alejandro Marty and Eurocan representative to Chile Graham Ramsey. The ceremony was also attended by Central Bank Chairman General Enrique Seguel, and Sebastian Bernstein, executive secretary of the National Energy Committee. [passage omitted]

World Bank Approves $200-Million Credit

PY0404195989 Santiago EL MERCURIO in Spanish 29 Mar 89 p B-1

[Summary] The World Bank executive board yesterday approved a $200-million loan to finance a Chilean Government housing project. In December 1988 the World Bank granted the government a $80-million credit for the same purpose.

This new credit will be paid back over 17 years, with 5 years of grace. The variable interest rates will be established by the World Bank.

The housing project will cost $364 million of which loans total $275 million, and the rest will be obtained from the national treasure and from the sale of the homes.

Also, on 21 March, the World Bank approved a $75-million loan with which to finance the improvement of the urban transportation sector.

Quarterly Inflation Figures Announced

PY0404200589 Santiago Radio Chilena Network in Spanish 1700 GMT 4 Apr 89

[Summary] Abraham Reinoso, chief of the Price Statistics Department of the National Statistics Institute, has reported that the IPC [Consumers' Price Index] for March amounted to 1.9 percent and the January-March accumulated inflation rate totalled 3.2 percent. Reinoso also reported that foodstuffs suffered the greatest increases.

Quarterly Unemployment Remains at 5.9 Percent

PY0404200189 Santiago Radio Chilena Network in Spanish 1700 GMT 4 Apr 89

[Summary] Eduardo Carrasco, chief of the Labor Statistics Department of the National Statistics Institute (INE), has reported that the unemployment rate during the December-February period stands at 5.9 percent, and that 4,293,800 people were employed while 269,200 were unemployed.

Unemployment has decreased in 11 regions, including in the Metropolitan Region, where it decreased from 10.8 to 7.3 percent. Unemployment increased in the ninth Region and remained the same in the Third Region.

According to Carrasco, the U.S. ban on Chilean fruit import did not affect the unemployment rate because it occurred in March.

* Youth Unemployment Statistics Analyzed

33480124b Santiago QUE PASA in Spanish 16 Feb 89 pp 16-17

[Article by B. del Solar V.: "Unemployment: Youth's Turn"]

[Text] The news almost went unnoticed. On 26 January the decree was published declaring the National Employment Secretariat dissolved. The reason given: that the agency had "efficiently served" the purpose for which it was created, namely, to attack the dreadful scourge of unemployment (which affected a third of the work force at the peak of the crisis), through the various emergency job programs, PEM [Minimum Employment Plan] and POJH [Head of Households Employment Program].

This decision was an unequivocal sign that, in the government's opinion, the problem had become less serious. The latest figures attest to this. The unemployment rate stands at levels virtually comparable to those existing during the 1960's.

Despite this, if the data provided by the National Institute of Statistics (INE) are broken down, one cannot fail to note, with some concern, the composition of those unemployed based on age. Youth account for 949,000 workers; in other words, young people account for a fifth of the country's total workers.

Among those classified as such (from age 15 to 24), the rate exceeds two digits, although it has been falling, and is more than double the general unemployment level.

Some debate has also been generated regarding the figures provided by INE on this subject, owing to the definitions used by this agency. Economists from the Labor Economy Program (PET), run by the Academy of Christian Humanism, remark that, according to a study made by them, the unemployment rate is much higher.

Favorable Balance

As a result of the steady growth in the national economy during the past 5 years, nearly 900,000 jobs have been created. And recent projections from the minister of economy, Manuel Concha, indicate that, this year, unemployment will not exceed 6 percent of the work force.

This does not appear to be an overly ambitious goal, although it should be remembered that, given the current levels, the rate is becoming increasingly difficult to reduce. During the last quarter, October-December 1988, unemployment reached 6.3 percent (285,000 persons), a figure broken down into 5.1 percent jobless and 1.2 percent persons seeking work for the first time. The total work force during the aforementioned period totaled to 4,551,600 individuals, a number which, compared with that for the first quarter of the preceding year, shows that 225,000 new jobs were generated.

In the Latin American context, Chile no longer stands out (negatively) in this social indicator. During 1988 the average annual unemployment rate totaled 8.1 percent. According to the INE data, Chile's progress compares favorably with that of other nations on the continent for that same year. Argentina is the country with the lowest unemployment (an annual average of 6.5 percent); while Ecuador has the highest, with 13 percent.

Delving Into Statistics

Reflecting a reality that is apparent at a mere glance, when the progress of the various economic sectors during the final period of 1988 is compared with that for the same interval in 1987, one notes a significant increase in the creation of jobs in construction, industry, transportation, mining, and commerce.

Quite far removed from those following it, the construction branch heads this rating with a rise of 32.2 percent. Its closest competitor is the industrial sector, in which employment has increased 10.4 percent. The transportation and communications industry shows an 8.5 percent rise, while mining activity shows 7.2 percent, followed by commerce with 6 percent.

The other productive sectors performed less vigorously. Employment in the agricultural sector rose only 3 percent. The same thing occurred in the services area, both financial, and community-social, and in the electricity, gas, and water sector.

Now then, according to regions, unemployment declined in nine of the country's 13 regions, remained the same in one (Fifth Region), and increased in three. Despite the reduction shown in the index for Greater Santiago and the Concepcion zone (which, together, contain about half of the country's work force), it still exceeds the national unemployment rate.

In the Fifth Region, it stood at 7 percent, representing 32,000 persons.

Difficult Age

The tendency shown by youth unemployment is the same as that indicated on the national curve: downward, although the figure (14.3 percent) is more than double the general one (6.3 percent). Nevertheless, it should be pointed out that the youth unemployment problem is not confined to developing nations; far from it. The rates in this age group are usually higher than in other brackets. In Belgium, for example, unemployment affects 25 percent of young people. In France, the youth unemployment level is nearly four times the average rate for the country.

But the fact that it is a misfortune for many is no consolation....

However, there are certain explanations to be given. The ranks of those seeking work for the first time in this age bracket (15-24 years) are larger. And, as in the case of all segments of the population, this problem affects the less qualified to a larger extent.

According to INE's latest poll, a total of 134,000 young people claimed to be unemployed. This figure is broken down as follows: 51,000 youths claimed to be seeking their first job, while 83,000 said that they had been jobless during the quarter October-December 1988.

Disappointing Experience

A more tragic reality is that shown by a research project carried out by PET last June in Greater Santiago. At that time, the rate was 9.1 percent according to INE, whereas PET claimed it was 18 percent. The gap is explained by the fact that INE regarded those who claimed to have worked 1 hour or more during the week before the poll as employed, while PET considered those who worked under 15 hours per week to be unemployed. The PET figures on youth unemployment far exceed those of INE. According to the former institution, unemployment among those aged 15 to 24 years in Santiago as of June of last year amounted to 35 percent, whereas the government agency gave a lower figure (18.6 percent) for the moving quarter April-June 1988.

The debate concerning the statistics no longer surprises anyone. It seems to be a never-ending issue among economists. Nevertheless, what has proven quite new is the result obtained from programs carried out specifically to deal with the issue of youth employment.

One of them is conducted by the Industrial Development Association [SOFOFA] to train apprentices in the industrial sector. Gustavo Gallardo, from SOFOFA, summarizes its features. He explains that, in July of last year, a law was passed enabling business firms in the Metropolitan Region and the Fifth and Eighth Regions that employed workers under age 21 to have access to the tax exemptions for training offered by SENCE [National Training Service]; in other words, he said, industrial firms were allowed "to deduct from taxes the wages paid to each apprentice (with a ceiling of 60 percent of the minimum income); there was extensive publicity on the subject."

According to Gallardo, the procedure for making use of this benefit was expeditious and simple. "We were expecting a figure close to 10,000 persons; however, it proved to be a disappointing experience, because we had scarcely 500 persons hired as apprentices. The strange thing is that there was an interest on the part of the business firms. They were calling us to ask for people, but there was no response on the part of potential workers. In fact, all those who did respond were placed in jobs."

He attempts to say by way of explanation that it is true that the apprentices were not subject to the minimum wage; "however, there were certain opportunities for

remaining in the company after the apprenticeship period. The level of productivity among these young people must also be considered. Because it is low, they could not be paid more. But it was a concrete opportunity to receive training and to be better equipped to confront the world of work."

The reasons for this behavior are not too clear. We shall have to observe the fate of an initiative by the Chamber of Commerce to train 3,000 unemployed young people of small means, announced slightly over a month ago. It is hoped that we will have better luck here. Otherwise, it will be a signal alerting us to find out how this alleged "lack of motivation" among the youth is to be dealt with.

Colombia

* Army May Be Subject to Civilian Judges

34480126c Bogota EL TIEMPO in Spanish
15 Feb 89 pp 1-A, 8-A

[Text] The civilian justice system is authorized to investigate and try members of the armed forces who are accused of committing common crimes.

For example, the Army colonel and major, against whom the judge of public order investigating the Segovia massacre issued an arrest warrant for the crime of terrorism, will continue to be investigated and tried by the civilian justice system.

The argument: terrorism is a common crime and not an unlawful act confined exclusively to members of the armed forces.

The same thing does not apply to two Army captains and majors for whom the judge issued an arrest warrant for having failed to perform acts inherent in their positions: in this case, to repel the paramilitary attack against the town.

From a functional standpoint, the four members of the military incurred cowardice. The court maintains that this is a crime that only members of the police, army, navy, or air force can commit.

Hence, the military penal justice system is the one authorized to investigate and try the two captains and two majors indicted for cowardice.

Jorge Carreno Luengas, a court magistrate and author of the provision, explained to EL TIEMPO that this is how the jurisdiction and scope of the military penal justice system are preserved, clarifying the area for action by the civilian justice system when there is serious evidence against members of the armed forces for common crimes not inherent in the service.

In this way, the decision was made, but not as expected: with a categorical verdict in favor of the civilian or military justice system.

The body explained that the decision did not assume the nature of jurisprudence, and that every case in which members of the armed forces are investigated by civilian judges must be examined individually.

The decision was made after the judge of public order in charge of the case in Medellin issued an arrest warrant for Colonel Alejandro Londono Arango, commander of the Bombona Battalion; Army intelligence service Captains Hugo Alberto Diaz and Hugo Henry Borda Guerrero; and police Captain Jorge Eliecer Chacon, commander of the local station.

The measure prompted the military penal justice system to demand that it be sent copies of the respective records, so as to investigate the members of the armed forces affected by the provision. Thus, they joined the clash of authorities ultimately triggered by the court.

In fact, at a Penal Court session which ended about 1400 hours yesterday afternoon, the magistrates unanimously accepted the study of the legal problem submitted by Carreno Luengas.

As a result of the pronouncement, the judge of public order who had been trying the members of the military lost authority to try four of them, and retained the power to try three others. The court claims that, with regard to the military, there is an exception or jurisdiction specified in Article 170 of the Constitution, stating that, "Courts-martial or military courts will take cognizance of crimes committed by the military in active service and related to the same service, as prescribed by the Military Penal Code."

The court relied on that article to declare that common crimes committed by members of the military may be investigated and decided on by civilian judges, even when they have been committed under martial law.

As everyone knows, the judge who drew up the indictment in Segovia heard the accused officers in an inquest, and later issued a warrant for their precautionary arrest.

Inasmuch as there was already a clash of authorities, the military refrained from heeding the judge's demands while awaiting the decision.

The court's decision could not be made general in its scope to include similar incidents, because it is essential that each one be examined so as to determine the authority, as was done on this occasion.

Magistrate Carreno Luengas asserted yesterday that this does not signify new doctrines for the court, because the same type of procedure has been followed for some time, with the very same legal criterion concerning authority.

What happens in such events is that, generally speaking, an ordinary judge opens the investigative process. If, during the course of it, the military penal justice system

considers itself to have the authority, it initiates the pertinent positive motion. If the civilian judge accepts this, he surrenders the case files. But if, as occurred with these records, he refuses authority for the military, the controversy is decided in an unappealable manner by the court's penal chamber.

* Army Head Denies Paramilitary Links

33480126b Bogota EL TIEMPO in Spanish 7 Feb 89 pp 1-A, 8-A

[Text] The guerrilla groups are being cornered by the army. For this reason, they are going on the defensive militarily.

This situation, a new one for them, is prompting them to use different weapons, slander, for example: The subversives are now engaged in a plan to implicate the armed forces with the paramilitary forces.

These and other assertions were made by the army's commander, General Nelson Mejia Henao. They are contained in a document which the high-ranking officer sent to all the commanders of brigades and divisions scattered throughout all sections of the country.

EL TIEMPO had access to the document in which the high-ranking officer calls upon the members of the institution to demonstrate that the army is not and has not been implicated with groups of the extreme right.

Following is the text of the document:

"As commander of the National Army, for the purpose of informing the units all over the country of the command policies that I have adopted from the outset so as to have a global strategy against the subversion that the country has withstood for so many years, I have been sending to your command a series of internal communiques describing those command policies.

"Now then, one of them orders the members of units not to become dispersed in incidental action prompted by enemy invasions, but rather to devise operations for total attacks, previously planned and based on intelligence reports, so that they may overtake subversive fronts with the assurance that they will defeat them. This strategy has been combined with an improvement in the troops' welfare, instruction, and training, and a supply of recently acquired weapons.

"The result of all the foregoing has prompted operations such as the one carried out in Los Llanos, a region of Mesetas (La Julia), with complete success. Thus, the subversive groups, especially the FARC [Revolutionary Armed Forces of Colombia], have realized that they are starting to be subjected to effective action that is forcing them to shift from the offensive to the defensive; based on this course of action, the beginnings of a victory for the forces of order are being seen.

"In view of the serious risk of this situation, the aforementioned subversive groups have decided to attempt (using all means) to further discredit the image of the armed forces, harassed with acts orchestrated by the news media.

"Hence, now more than ever, it is essential that—in addition to the strategy that I described previously and the improvement in weapons—the good image which the army, justifiably, has always possessed, be zealously sought and safeguarded.

"Lacking this, victory in the war in which we are engaged will be impossible. I want you, as the exemplary commander that you are, to clearly observe the importance of what I have just said, because our mission is at stake here, as well as the immediate future of 30 million fellow citizens who expect much from each one of us. It is the entire nation that is concerned with this.

"One of the ways in which subversion is currently being used to damage the army's image is by making the military appear as sympathizers or sponsors of paramilitary groups, which is untrue. This serious circumstance must be utilized to do something very concrete.

"To demonstrate to the public that the National Army has not been, and is not in any way related to the so-called paramilitary groups, and that what the subversives are attempting to do, by claiming the contrary, is to harass the army psychologically.

"Burdened by the weight of presumed paramilitary crimes contrived by the enemy, we cannot expect the country to have confidence in our work. As I have said often, and as has also appeared in command policies, the paramilitary groups' path is gloomy: replete with traps and risks that will necessarily make to difficult to effectively repress of unpatriotic subversion and common crime, paving the way for defeat, and delaying the final victory which is our unswerving intention and goal.

"Therefore, we have always rejected this, because it is our task to dismantle the subversive settlements, so as to restore (step by step, and steadfastly) the freedom within the law that the Constitution indicates for the country.

"I hope that you will accept these guidelines and will soon be able to show positive accomplishments to people who are victims of subversion, removing the enemy's power over them, by using the legal channels through which the army has always acted, and never taking the negative routes of sinister armed groups; the troops' action must not give rise to a challenge of our context for action, which has never been and can never be other than that of our irrevocable legitimacy."

* Counterguerrilla Units Formed in Coffee Zone

33480126a Bogota EL TIEMPO in Spanish
8 Feb 89 pp 1-A, 8-A

[Text] Medellin—At a meeting held in the village of La Pintada, in Santa Barbara, Antioquia, the governors of Antioquia, Caldas, and Risaralda agreed to create seven antiguerrilla commando groups.

The meeting was attended by the governor of Antioquia, Antonio Roldan Betancur; the governor of Caldas, Victoria Eugenia Osorio; and the governor of Risaralda, Diego Patino Amariles.

The function, which lasted 6 hours, fulfilled its main purpose: to devise joint strategies for checking the advancement of guerrilla groups in the entire coffee-growing zone.

Also present were the commander of the Fourth Brigade, General Jaime Ruiz Barrera, and the Antioquia police commander, Valdemar Franklin Quintero, as well as the military and police commanders of the other two departments.

Two of the special antiguerrilla commando groups will have the 4th Brigade as a base. Each one will consist of a contingent of 180 men, and they will have the advantage of a great capacity for movement in the entire region.

The other five antiguerrilla fronts are comprised of members of the police. These commando groups consist of 30 men each, and their main task will be to prevent attacks on inspection facilities and municipalities in the coffee-growing area.

The governor of Antioquia remarked that the meeting could be considered a significant step in departmental integration to cope with shared problems.

* Measures To Aid Financial System Announced

33480146B Bogota EL TIEMPO in Spanish
9 Mar 89 pp 1-A, 5-B

[Article by Carlos Pineros: "Government Orders Bank Capital Increased"]

[Text] Colombia's financial system is very small, weak and fragmented. Therefore, the government yesterday took new steps to encourage it to strengthen and consolidate itself.

1. There are 29 commercial-finance companies; 21 have very little capital. They will have to boost it to 600 million pesos over the next 12 months.

Major economic groups have applied to the Banking Superintendency for licenses to establish new companies of this kind.

The response has been negative. There are too many of them, and continuing fragmentation is not advisable. As if this were not enough, more than one has capital of under 50 million. Only four have increased their capital significantly: Pronta, Delta, Invercredito and Prisa.

Consequently, the partners in the current companies should either capitalize them, merge them with others or else sell them to people who are keenly interested in getting involved in this line of business.

This type of intermediary finances commerce and consumption and runs the credit-card systems.

2. For each 1 peso in capital the banks can receive 15 in deposits from the public: 10 in checking accounts, savings and trusteeship, basically, and 5 in certificates of deposit (CD's).

As of 30 June this ratio will be reduced and standardized. They will be able to accept only 12.5 pesos in deposits, no matter what the variety, for each 1 peso of capital.

Thus, the banks that want to attract more deposits from the public will be forced to boost their capital. The government anticipates that capitalizations will reach 30.8 billion by the end of 1989.

The banks that fail to comply with the new ratio will not be able to expand their commercial lending for the 3 years subsequent to the violation. The existing penalty, which is repealed as of this June, is a fine of minor consequence.

The banks earned 32.096 billion pesos in 1988. The stockholders meetings, which are being held this March, will have to retain earnings so as to comply with the capitalization orders. The effort will fall most heavily on those that have not boosted their equity capital. The same will go for the commercial-finance companies.

There are two official banks that take in more than 15 pesos from the public for each 1 peso of capital: Banco Ganadero and Banco Popular. Another two in the private sector are similarly remiss.

Banco Ganadero has asked the government to expand its ownership presence above the current 23 percent. It will be up to the Agriculture Ministry to decide whether to agree to this or to allow the private sector to undertake the necessary capitalization.

Boosting the capital of the Banco Popular requires legal permission. The administration wants to submit such a request to Congress this July.

Although the system's capital has doubled over the past 3 years (it stands at more than 300 billion pesos), it remains very weak.

In coming days the government will also be forcing insurance companies to boost their capital.

UP Leader Murdered by Motorcyclists in Bogota

PA0604042189 Bogota Inravision Television Cadena 1 in Spanish 1730 GMT 5 Apr 89

[Text] Patriotic Union [UP] leader Norberto Garzon Velasquez, who was murdered by assassins on motorcycle in Bogota's Policarpa Salabarrieta neighborhood last night, will be buried tomorrow.

Since the UP was formed, 728 of its leaders have been murdered.

Garzon, a UP leader in Medellin, Medariar, and Meta, moved to Bogota to escape death threats. He took up residence in the Policarpa neighborbood in the center of the city, where he opened up a small shop. According to his relatives, he visited the Defense Ministry yesterday to request a firearm, but officials refused his request. He was gunned down at his business a few hours later.

* UP Leader Confers With Betancur

33480125b Bogota EL TIEMPO in Spanish 8 Feb 89 p 7-A

[Text] With the intention of gaining the support of the traditional parties, Patriotic Union [UP] yesterday met with the former Conservative president, Belisario Betancur. It had previously done so with Julio Cesar Turbay, Misael Pastrana, and the church.

Belisario Betancur also wants peace and, specifically, there are "major coinciding views" with UP, as UP spokesmen stated upon the conclusion of the meeting. But the main question was how to implement the mechanisms suggested in the current process.

At the office of the former Conservative president, UP stressed the need for the groups without congressional representation, as well as all the guerrilla movements, to participate.

Bernardo Jaramillo, Diego Montana Cuellar, and Jose Antequera attended the meeting which lasted over an hour and a half; not only were peace, politics, and social issues discussed, but culture, art, and literature also made the rounds at the conference table.

UP spokesmen declared: "The fact is, one can discuss everything with Betancur; he is a good conversationalist."

They added that the impetus for the agreement signed between the government and M-19 is a priority for UP. But they consider the presence of the paramilitary groups a very serious obstacle.

They also maintain that this new step that has been taken must reach the heart of the matter, bypass formalism, and must create a broad front of democratic convergence.

Regarding the significance of yesterday's meeting with Betancur, the UP president emphasized that it was he who had opened the doors for dialogue in Colombia, while the present government has only opened the doors for M-19.

Nevertheless, the ex-president told reporters that he was out of circulation, and that his speech in Medellin had been for "legitimate defense."

Moreover, according to UP, the current peace process shows another failing, because it is not dealing with the issue in a global manner. To make the talks on the issue effective, it proposes two points: a bilateral cease-fire, and effective action against the paramilitary groups.

They also commented on the judicial process opened against M-19, for seizing the Palace of Justice, and the possibility that this trial might hamper the talks. Jaramillo was emphatic in saying that a means exists, namely, pardon.

Jose Antequera, a member of UP's National Coordinating Group, for his part, cited the incidents at La Rochela, noting that he would bring before the attorney general a group of peasants who claim to have witnessed the massacre in which several judges who were on an official mission were assassinated.

The peasants will prove to the general prosecutor that members of the armed forces were implicated in this massacre and, at the same time, they will request of Serpa Uribe the proper protection for peasants.

It was also learned that UP sent a letter to President Barco requesting that the government assume its duties by "removing" the members of the military implicated in such cases from the military institution.

* UP Leaders on Party Future, Peace Process

33480125a Bogota EL TIEMPO in Spanish 6 Feb 89 p 7-A

[Text] Patriotic Union (UP) has decided: it wants to continue its political activity, and has announced that it will participate in the 1990 elections.

Although it concerns them that they are still being beaten, they think that the margin they have gained over 3 years of existence has evoked sympathy and respect from the Colombian population.

These were some of the conclusions reached during the seminar at the Inca University in Bogota which ended yesterday.

Bernardo Jaramillo, Diego Montana Cuellar, Alvaro Salazar, and Jose Antequera attended, as did all the UP congress members, some mayors, council members, and deputies.

They also claimed their legitimacy as an independent, pluralistic movement and, contrary to what their detractors maintain, they asserted that they are not the political arm of the guerrillas.

Their internal shortcomings "surfaced." They admitted having a style that distances them from work with the masses. An internal document declares: "There is a tendency to work solely on the top echelon, and to have poor relations with the rank and file in the popular organizations. This is a flaw that applies to the National Coordinating Group in particular."

And, as they stated, this "style" could weaken their real influence and entrenchment among the people.

Moreover, they were very ambiguous in claiming that popular resistance must be implemented, "if we want to ensure our permanence and the continuity of the mass movement."

And they added: "The Patriotic Union cannot resign itself to considering the criminal action of the paramilitary groups, amid social indifference. Popular resistance is an unavoidable duty and obligation of UP."

The current peace process was another issue under discussion. They stressed that the political movements without congressional representation, as well as the church, should join the talks. And, in addition, they emphasized that the dialogue with the Simon Bolivar National Coordinating Group should be expanded.

They do not think that the armed conflict that Colombia is experiencing has a military solution. "What is fitting is a political solution, in genuine peace negotiations, with a bilateral cease-fire."

The agreements on unity with the other leftist movements, the impetus for regional dialogues with the participation of the guerrillas and the political sectors from every department, and their attendance at the congress for peace in Ibague were extensively debated at the seminar.

The proposal to form coalitions with other political parties and movements with a view toward the coming elections was well received among the "comrades."

Finally, it was learned that UP will continue its interviews with ex- presidents and leaders of the traditional parties. Tomorrow, Monday, the former Conservative president, Belisario Betancur, will receive them in his office to discuss peace.

And the meeting with the editor of EL SIGLO, Alvaro Gomez, remains pending for them.

Paraguay

Rodriguez Announces Electoral Procedure Changes

PY0404035389 Asuncion Cerro Cora Sistema Nacional Television in Spanish 0000 GMT 4 Apr 89

[Text] President Andres Rodriguez announced this morning his government's decision to extend the period for registration of voters, thus heeding a request from opposition sectors.

[Begin recording] [Rodriguez] I want to announce our decision to extend the period for registration of voters. We are doing this to show our spirit of understanding and our desire to allow the largest possible voter turnout in the upcoming elections, so that it can be considered clean and indisputable.

Secondly, to help promote clean elections and prevent fraud, we are going to use indelible ink to keep voters voting several times.

Thirdly, we are requesting that Article 86 of the Electoral Law be amended so that the ballots of each party bear the number assigned to that party by the Central Electoral Board. To this end, the Electoral Board will take into account the sequential order of registration of each party. This procedure will allow voters to vote for their candidates for president of the Republic, for deputy, and for senator.

That is the news I can give you at this time.

[Reporter] How many days will the extension last?

[Rodriguez] From today until 8 April. [end recording]

Colorado Party Executive Board Meets

PY0404170489 Asuncion PATRIA in Spanish 4 Apr 89 p 6

[Excerpts] Yesterday the newly-elected Colorado Party Executive Board held its first meeting. During the meeting, which was presided over by Juan Ramon Chaves, the members were apointed to administrative positions. [passage omitted]

Herewith the aforementioned positions: president: Juan Ramon Chaves; first vice president: Luis Maria Argana; second vice president: Edgard L. Insfram; third vice president: Blas N. Riquelme; treasurer: Juan Esteche Fanego; deputy treasurer: Agustin Gonzalez Insfram; political secretaries: Juan Roque Galeano, Persio da Silva, and Eugenio Sanabria Cantero. [passage omitted]

Cordillera Government Delegate Fired

PY0404042089 Asuncion ULTIMA HORA in Spanish 3 Apr 89 p 16

[Text] By Decree 671 of the Executive Branch, the government this morning dismissed Sergio Enrique Dacak as executive branch delegate in Cordillera Department. Sisinio Ramon Vera Santacruz will replace Dacak.

Dacak was one of the most criticized officials by the people, the youth, and, especially, by the university students of Caacupe, who publicly demanded that he be removed.

Dacak personally led beatings of members of the Authentic Radical Liberal Party and of other opposition groups who attempted to stage rallies in his jurisdiction. He was an announcer of the now defunct radio program "Voz del Coloradismo," for which he used to write editorial commentaries.

Dacak was among the few "militant, combative, Stroessnerist" members who were not arrested after the 3 February coup.

Radical Liberal Weekly Begins Publication

PY0404131889 Asuncion ULTIMA HORA in Spanish 1 Apr 89 p 6

[Text] During a ceremony launching the first issue of the Authentic Radical Liberal Party (PLRA) weekly CAMBIO AUTENTICO, its director Jose Luis Simon said: "This weekly's goal is to provide an outlet for our democratic expression, strengthen democracy, and disseminate the country's democratic ideas."

"This weekly is a PLRA service to Paraguayan society. Instead of having a spokesman, the PLRA has decided to publish a weekly that may voice the yearnings, difficulties, proposals, and projects of all political institutional, and social sectors of our society. This weekly will debate and analyze our current situation and will find mechanisms to lead us effectively toward a democratic transition," Simon said.

Domingo Laino and Juan Manuel Benitez Florentin also spoke during the ceremony, which was attended by several PLRA leaders. The weekly, containing several social, economic, and political analyses and commentaries, is already being sold in the streets.

Newspaper Assesses Possible Effects of Spraying

PY0404202389 Asuncion ABC COLOR in Spanish 4 Apr 89 p 10

[Editorial Report: "Unpredictable Consequences of an Air Spraying"]

[Text] The authorization granted by the national government that permits the spraying of wooded areas in the Alto Parana and Amambay Department by U.S. planes is a controversial issue.

The spraying of coca and marijuana plantations, seeking their eradication, is under way despite the fact that this matter has not been analyzed.

The chemicals to be sprayed from the planes will damage both marijuana plantations and other plant and animal life alike. The potential ecological damage by these chemicals has not been evaluated. Although it has been said that chemicals with a low-level of toxicity will be used, their medium and long-term effects, however, are unknown. Peru has not yet approved the implementation of this program, and it is assumed that in the United States the use of such chemicals would not be authorized without a previous in-depth study into any possible consequences.

The growing of narcotics-producing agricultural species is a problem that requires more than a simple program aimed at eradicating plantations with chemicals. Many people, especially farmers, do not understand why the struggle cannot be confined to the areas where drugs are processed and consumed, and thus not spoil the natural environment.

The following objection concerns the economic sector: Who will indemnify the peasants if this experiment harms the environment, if unknown factors, that cannot be detected in our laboratories for lack of know-how and instruments, later come to light?

Some people living in the North have shown indifference toward the situation in South America. This fact shows us that we should carefully analyze every proposal, including the one that has just been authorized. Many chemicals, the sale of which is forbidden in the United States and Canada, are being sold to our farmers without the appropriate warnings. Some are sold even with a lot of advertising.

The struggle against drug abuse is a positive undertaking, but not at the risk of causing even greater damage. Our first duty is to protect the environment, which is not merely our heritage, but it is also that of our descendants.

Secret Grave Discovered; More Suspected

PY0404034689 Asuncion HOY in Spanish 2 Apr 89 p 5

[Excerpts] Francisco Jose de Vargas, lawyer for the Committee of Churches has told us that a corpse was unearthed yesterday afternoon near Pira-y Stream, in an area that borders on Mbocayaty del Yhaguy. The lawyer headed a group carrying out the operation.

De Vargas said that "we filed this charge a long time ago, but the courts paid almost no attention to us, for which reason we decided to undertake this operation. Today we can show the people tangible evidence that several politicians were murdered and that they were buried near Pira-y Stream."

Asked whether there is more information on missing people in that area, De Vargas replied: "Yes, of course, because there are some 30 graves that will be uncovered. We hope that the courts will now pay attention to us and will expedite the excavation of the other graves, because we have concrete information that a similar number of bodies has been buried near another stream known by the name of Camba-y."

The lawyer said that "a dental prosthesis and bones, which belong to a man, have been unearthed, but the official report will be released by the forensic specialist to whom the work will be entrusted."

The lawyer said that Police Inspector Irrazabal, who is now posted at Santa Elena, under the jurisdiction of Las Cordilleras Department, was in charge of political repression in that department. [passage omitted]

A Santa Elena resident has said that the place where the human remains were found is sort of a secret graveyard where dead bodies were buried by unknown persons at various times. It is said that the bodies were buried during the strong political repression of the 1970's. [passage omitted]

Peru

Official Speaks at World Bank, IMF Meeting

PY0504134689 Lima Domestic Service in Spanish 1040 GMT 5 Apr 89

[Text] The World Bank and the IMF should play an important role in reducing the foreign debt burden by implementing or complementing initiatives aimed at finding a solution to this problem and reversing the transfer of resources from less developed countries to the creditors. This statement was made by Economy and Finance Minister Carlos Rivas Davila when he spoke in the name of Argentine, Bolivia, Chile, Paraguay, Uruguay, and Peru before the Development Committee of the World Bank and the IMF. Rivas said that Latin American countries have transferred $78 billion to their creditors in the past decade.

Further Official Comments

PY0504195189 Lima Television Peruana in Spanish 1800 GMT 5 Apr 89

[Text] The IMF has reversed its position on demanding a $30-million payment from Peru as a precondition for sending a technical mission to our country. Economy Minister Carlos Rivas Davila has said that it is quite likely that an IMF mission will come to Lima in the coming weeks.

The economy minister added that the World Bank will also send a working group to review Peru's economic situation. He also disclosed that IDB [Inter-American Development Bank] President Enrique Iglesias will negotiate a bridge loan from the international credit organizations. Economy Minister Carlos Rivas Davila said that this is what Iglesias told President Alan Garcia.

Larco Cox on Debt, Brady Plan, Brazil Ties

PY0404142589 Lima Domestic Service in Spanish 1040 GMT 4 Apr 89

[Interview with Minister of Foreign Relations Guillermo Larco Cox by unidentified reporter; date, place not given—recorded]

[Excerpts] [Larco Cox] Our position regarding the foreign debt is clear and there is no need for me to repeat it. As I have said before, we have not broken relations with the international organizations; they are suspended. This suspension, on which our relations with the financial organizations are centered, was made for a reason: The foreign debt must be discussed from a different point of view. [passage omitted]

[Reporter] Minister, do you think the debt must be renegotiated on political terms rather than on economic terms?

[Larco Cox] Exactly. The foreign debt issue must no longer be discussed within the area of international banks and financial organizations, but within the framework of the political aspects of our society and of our needs in the areas of nutrition, health, and education. This is the Peruvian position. We believe that both creditors and debtors must share the responsibility for the debt problem.

The foreign debt problem has been distorted; therefore, we doubt its legitimacy and request political treatment for it. We are achieving this objective; the Brady plan is nothing less than the recognition of this position. Therefore, the finance minister will continue upholding this position.

Whoever expects spectacular results from the plan, such as the investment of hundreds of millions of dollars in Peru, is mistaken. This situation does not need to be reflected in our domestic market. We must recover our confidence in the country. This is the country where we live, and we must stop thinking about leaving it, thinking that conditions are better abroad and that terrorism is not a problem there. No; we say that we must remain here and grant all the benefits to allow everyone to invest in Peru and recover it from violence and terrorism and turn it—thanks to democracy—into a country with a future.

[Reporter] The president will travel to Brazil in May. Do you know what economic issues will be discussed during his trip?

[Larco Cox] Yes. One of the main guidelines of our foreign policy is to strengthen commercial ties with Brazil. We are currently discussing 12 subjects, among which some of the most imporant ones are: the possible exploitation of the gas in Camisea; the sale of electricity

to Acre state; the construction of the Inapari-Puerto Maldonado road; the development of Madre de Dios Department; the extension of the Cerro Verde project; the construction of development works like those in Chavimochic, Olmos, Tinajones; and others. This means that the president's agenda is packed.

*** Barrantes' Candidacy, Party Strategy Described**

*** Electoral Strategy**

33480130 Lima CARETAS in Spanish
13 Feb 89 pp 26-27

[Article by Luis Pasara: "The Viability of Barrantes"]

[Text] What happened in the wee hours and on into the morning of Monday, 23 January, the day the First Congress of the United Left ended, is something the comrades will continue to discuss indefinitely. And perhaps some sensible student will soon write a Marxist-Leninist treatise on how the new board of officers of the IU [United Left] was elected and was then challenged by the Socialist Convergence. It was this thorny subject, in fact, which was the focus of the discussion held at a meeting of the telephone workers' trade union last Friday, in which the participants were Carlos Tapia, "Zorro," formerly of the PUM [Mariateguist Unified Party]; Alfonso Lopez Chau, without party affiliation, but formerly of the Convergence; Edmundo Murrugarra, without party affiliation, but formerly of the PUM; Jorge del Prado, the eternal secretary general of the PCP [Peruvian Communist Party]; and Alberto Moreno, of the UNIR [National Union of the Revolutionary Left]. Javier Diez Canseco was not present at the meeting, spoiling this veritable family photograph.

With the announcement that he will not be the presidential candidate of the United Left determined at the congress in Huampani, Alfonso Barrantes has taken another step within the context of a strategy launched at a certain moment last year. This is a strategy which, as has become clear now, involves a schism or a drastic reorganization of the IU.

The goal is to get rid of the radical sector of the front, that is to say the PUM and the UNIR, since the FOCEP [Student-Peasant-Worker Popular Front] is only a ghostly presence. This goal is a part of a broader one for Barrantes—to occupy the space in the center-left section of the spectrum, which would be impossible with partners like these.

Within this strategy, the Socialist Convergence was established in 1988. Based on the PSR [Socialist Revolutionary Party] and some sectors without or with only former party affiliation, it was conceived as Barrantes' organizational support. At the same time, a team of 40 intellectuals and technicians was put to work, and for the past 8 months it has been working on a government plan for Barrantes parallel to that formulated by the commission within the IU which Javier Iguiniz heads.

The next step in the strategy is to register the Socialist Convergence as a party with the National Election Board, so that the Barrantes candidacy can be formalized. The supporters of Barrantes hope that some undecided sectors—within this group, they would have greatest hope for Del Prado's PC—will lean toward his candidacy when it is an accomplished fact. They presume that basically, the important thing is to have a good candidate, and they believe that they do.

It is not surprising that a number of the leading sponsors of this strategy are people who advised Velasco. The plan shows the characteristics of the same old political style—"rallying around the man"—which launched so many outstanding civilians in the days of the military dictatorship.

Underlying this conduct is a contempt for the organization, which is now leading toward neglect of the importance of the IU bases, represented by innumerable local and provincial associations in which the influence of the radical sectors is considerable.

If the IU has 130,000 registered members, it is not solely, or even basically, because Barrantes is a sensible man who is skilled at the game of politics. One principal reason for the organizational strength of the leftist front lies in the work which, supported by institutions and resources, has been done by hundreds of political cadres, the majority of them members of the PUM and the UNIR. To think that these base organizations will hasten to wherever Barrantes is may be a mistaken judgment.

The social base of the left is, like it or not, radical, and the reason lies in the fact that its membership includes a large proportion of the poor people in this country. This radicalism probably does not mean advocacy of armed struggle, but it is hard to imagine that these base-level groups will agree to governing with the CONFIEP [National Confederation of Private Business Institutions] or will go to the IMF with Fernando Belaunde, as an increasingly moderate Barrantes has proposed.

But it also remains to be seen whether those in the middle- and upper-class sectors, with whom Barrantes has made such an effort to win credit and acceptance, will in fact accept him. It is probable that in the opinion of these sectors, disassociation with the extremist sector of the IU will not prove to be an adequate price.

And the Socialist Convergence, which is attempting to shift its position toward the center, must answer a key question. In what way is it different, programatically, from the radicals in the IU? This question has become a burning one since the January congress, at which all of the sectors, that supporting Barrantes included, agreed to approve some program guidelines which the CONFIEP will certainly never endorse. The Convergence later criticized the composition of the IU leadership, but not the program.

If Barrantes does not have a convincing response to provide with regard to his government program, on the preparation of which his own technicians must be working overtime, he might well find himself left with nothing. In other words, with the possibility of running as a candidate for the leftist front discarded, he may not succeed in winning over an alternative political audience with his moderate proposal. Such a development which would exclude Barrantes from the game, for the time being.

Quotation Box (A Stroll Down Memory Lane)

"If the United Left wins power in 1990, the oligopolies and monopolies in the press sector will disappear." Jorge del Prado, president of the IU and secretary general of the Communist Party, in EL NACIONAL, 21 January 1989.

"If the IU wins government power in 1990, it will expropriate the mass media." IU Deputy Yehude Simon Munaro, on Channel 11, Sunday, 5 February.

"The construction enterprises are urging the workers to accept 'a charity contribution' as compensation, while they themselves are continuing to earn ever greater profits. Shooting them will be the only way of putting an end to the cynicism and corruption which prevail in the country." Valentin Pacho, secretary general of the CGTP [General Confederation of Workers of Peru], in EL COMERCIO, 9 February 1989.

* National Unity Candidacy

33480129a Lima EQUIS X in Spanish 20 Feb 89 pp 6-10

[Text] It was Friday afternoon, 10 February, when Alfonso Barrantes, with his usual good humor and wry spirit, pronounced the words whose meaning has recently become the subject of full discussion, within the context of other events. Initially, these words did not seem as important as they really are at times like the present.

The setting could not have been better, moreover. It was the opening ceremony at a building for the Cerres people's market in Vitarte, and "Frejolito" had been unanimously chosen by the merchants as the sponsor for the project. Barrantes addressed a large local audience gathered for the occasion. "I say to you, the people of the town, that if you were asked what government you want for 1990, that is to say a government of what orientation, you would answer: 'It doesn't matter—what we want is for the next government to reduce food prices.'"

These words provoked a storm of applause which lasted for some time. The same thing happened when he stated energetically: "It is a fact that we all also want an end to terrorism, to insecurity, and to achieve this we must strengthen the popular organizations, because only unity will give us the strength to win..."

It was in this way that the former mayor of Lima outlined the emergency plan which the mass of the people fervently want the next government to implement, and which the people hope could serve as a foundation for a program of concrete achievements which would substantially improve the quality of life and raise the standard of living for all Peruvians, particularly the neediest strata.

That this is a truth of monumental importance is evidenced by the behavior of the national electorate since 1978. Since then, first in the elections for the Constituent Assembly, and then in the general elections in 1980 and 1985, a huge and definitive sector of the citizenry has cast its votes in an effort to find a government orientation capable of raising the country from the ever deeper pit into which the economic crisis, that is to say inflation, has plunged it. And, of course, subversive violence as well.

The right wing knows this well, from its own experience, and it is now working toward one of its main goals, which is to instill the idea in the minds of the voters that "despite all of the errors committed under the Belaunde government," the rate of inflation was reduced somewhat. And on this basis, to develop confidence that a future right-wing government could control the situation and overcome the crisis.

A Question of Confidence

Paraphrasing Manuel Prado's 1956 slogan, the right wing might say to the voters now: "You know it, vote for it." It would thus be attempting to make the elections a question of confidence. But Alfonso Barrantes might pursue this path with even greater justification. For very simply, his activities as mayor of Lima have won him the confidence of vast popular sectors. And he does not have against him the factor of doubt which always plagues the right wing, because the government of architect Belaunde was basically incapable of containing inflation and conjuring the crisis.

Thus "Frejolito" enjoys that substantive imponderable, popular confidence. And this was demonstrated by the survey made public a short time ago by Cesar Hildebrandt on his television program "In Person."

In fact, while the supporters of the right-wing front, when asked which individual within their ranks they regarded as the ideal candidate for the presidential post, expressed noticeably different opinions, the leftists favored Alfonso Barrantes overwhelmingly.

Within the Fredemo [Democratic Front], 24.6 percent favored Mario Vargas Llosa, 20.4 percent Luis Bedoya Reyes, and 18.7 percent Fernando Belaunde Terry. On the other hand, 54.3 percent of the leftists came out in favor of Alfonso Barrantes, while the other potential candidates won only very small, even miniscule, percentages, beginning with the man ranked second, Enrique Bernales, who was favored by 3 percent.

Everything indicates that it is on the basis of figures such as these that the Barrantes sector has decided to cut its losses, to wait no longer, and to launch the candidacy of Alfonso Barrantes. This was precisely what the leader of the Socialist Revolutionary Party (PSR), Enrique Bernales, announced last Wednesday.

He made it known that his political group, as well as the Socialist Convergence (which rallies the socialists without party affiliation and the independents) and the Revolutionary Communist Party of Manuel Dammert, had decided to nominate the former mayor of Lima without further ado. On being asked whether this meant a break with the United Left, he denied it categorically, saying that it was simply a matter of a scheme to rally the popular majority.

Crucial Decision

Everything—in particular the repeated statements by Barrantes himself—seems to indicate that the former president of the United Left has definitely won the favor of the popular voters, and that he believes the present moment is not propitious for the radical factions and that a heterogeneous government including "militaristic and voluntarist" groups would end in a disaster like the similarly composed governments in other Latin American countries.

Within the context described, and based on reports from very reliable sources, we have learned that both Alfonso Barrantes and his general staff have become convinced that what the vast majority of the voters want, above and beyond ideological dogma and radical ideas bordering on adventurism, is to be offered a clear and simple program setting forth ways of emerging from the current crisis and the situation of violence in which we find ourselves plunged.

They are also said to believe that with a program of this sort, pragmatic and technically drafted, together with a charismatic candidate like Barrantes, the conditions for victory in 1990 are met. Particularly if such a platform could win the support not only of the left wing, but also of the center and some right-wing sectors in the national electoral spectrum, as well.

On the other hand, it is believed that with the deliberate dismissal of the support of the extremist sectors, which have a substantial party apparatus as well as resources of all sorts, the responsible left wing would inevitably need to expand its influence toward the center, and mainly toward those sectors which, as we have said, are decisive in an election, given the current situation.

Because of all these considerations, it is reported, the decision was made to take the bull by the horns and to establish a great National Unity Patriotic Front, based on the leftist sectors which have already nominated Alfonso Barrantes as their candidate, and those which will join them. As we have said, this would include those elements in the center and the democratic right wing prepared to underwrite an emergency program designed to throttle hyperinflation and to put an end to the violence which is corroding the country.

An Exceptional Situation

Without a doubt, this bold undertaking which is already under way has a firm basis in the unusual situation the country is experiencing. And the fact is that to engage in ideological debates, to discuss greyhounds and hunting dogs while everything goes down the drain would be not only absurd, but also tragic, given the critical situation we have at present.

Before and above everything, the effort, if not unanimous at least having majority support, should be oriented toward dealing with the economic crisis and putting an end to subversive violence. And this in itself is already a program of interest to the broadest strata of the citizenry, particularly since it is set forth by a man who has shown that he is honest, capable, and well-intentioned, as is the case with Alfonso Barrantes Lingan.

If this Patriotic Front comes into being, based on realistic criteria, there will be nothing the right wing can do, because despite its ruses, it has its vulnerabilities.

Nor would the ultraleft be in the best of positions, with its dogmatic and narrow way of viewing problems, precisely when the existing conditions dictate that a very flexible policy based on our reality be implemented. This would be a policy which has nothing to do with stereotyped formulas which are basically alien to this reality.

The Decisions of the IU

While the leaders of the United Left [IU] are obsessively immersed in the problems resulting from their last congress, with both sides desperate to win acceptance for their versions of how, why, in what way, and at what time it was decided to vote by acclamation; while they debate passionately how, why, and at what time so-and-so withdrew from the congress; while they engage in bitter discussion of what this or that thesis of the congress said or should have said—while they are doing all these things, Alfonso Barrantes has suddenly surprised and awakened them. He is now a presidential candidate and is setting out to establish a great patriotic front. Over there are the bundles of proof sheets and the group arguments. Over here are the basic political documents and concern about the great national problems. Over there is a sect. Here is a historic group. There you have dozens of professional cadres living off the party. Here you have the masses making a living from their work and awaiting solutions, not dogma. What will the clearest heads among them—Jorge del Prado, Gustavo Mohme, Henry Pease, and Gustavo Espinoza—do? Will they stand with the PUM and the UNIR? The interesting

thing about bold initiatives is that they force those who are undecided to make up their minds. We will see what happens in the coming days.

*** AP Candidates for 1989, 1990 Elections Viewed**
33480129b Lima EQUIS X in Spanish 13 Feb 89 pp 12-13

[Text] One of the possible candidates for mayor of Lima in this year's elections was Mrs Violeta Correa, wife of former President Fernando Belaunde Terry. But she has just categorically denied that she will run, "even as a consensus ticket to unify positions in the Democratic Front (FREDEMO)." And she has stated that she is leaning toward the candidacy of Eduardo Orrego Villacorta.

According to reliable sources, however, this possibility, already broached by the Popular Action (AP) leader himself, also seems to have vanished for the time being. Orrego reportedly had to undergo a delicate operation abroad, apparently at the hospital or medical center of Dr Zerbini in Brazil. It is rumored that he had a coronary bypass open-heart operation, which was made necessary by the problems resulting from his chronic diabetes.

The former metropolitan mayor reportedly came through the surgery fine, but apparently has vowed not to participate in political activities and to devote himself entirely to his family and his profession. According to reports, he has already informed Belaunde and his party of this decision.

This development would affect not only Popular Action's plans for the municipal elections, but also its plans for the presidential ticket, as Orrego was supposed to be on the slate as a candidate for one of the vice presidencies.

Now AP will have to undertake the difficult task of finding candidates in its ranks who are well suited for occupying such highly responsible positions, that is, one candidate for mayor of Lima and another for vice president of the republic.

With regard to the mayoralty, Jorge Trelles Montes is regarded as the most appropriate candidate. He has proven to be both charismatic and capable of holding important public office with success. As often occurs in such cases, however, his presence arouses jealousy and resistance, precisely because his personal qualities could quickly usher him into higher positions. It is even said that Belaunde himself would not be thrilled about a rapid rise by this young leader.

The sidelining of Eduardo Orrego, who at one time was even considered a possible presidential candidate, makes it even more imperative that Popular Action nominate Belaunde as its natural and peremptory presidential candidate. This would enable it to maintain control of the government should FREDEMO attain power, and to prevail in the distribution of spoils among the three groups that comprise the Front. Moreover, it would serve to give the greatest possible clout to the FREDEMO ticket. It is plain as day that Mario Vargas Llosa is not exactly lighting fires. The novelist does not appear to have the necessary "pull," especially among the masses, and he is conducting a costly campaign that nonetheless is lacking in passion and glory.

As for the impact of Eduardo Orrego's absence on Popular Action's hopes for the elections of this year and next, observers note that it will be severe, even in an organization like AP that has a large number of leading cadres in its ranks. Generally speaking, these leaders are useful for a variety of administrative tasks, but they lack the charisma that is indispensable for touching the hearts and minds of the masses.

An examination of the list of AP leaders confirms this assertion, and reveals that the party does not have leaders of Eduardo Orrego's stature. He was always nominated in important elections to represent his party during both of Belaunde's presidential terms. The existence of leaders capable of manning the general staff but not the command, so to speak, makes Orrego's absence that much more lamentable.

Javier Alva Orlandini, who has the resolve and temperament to do electoral battle, was hit hard by his 1985 defeat, and is rumored to be unwilling to engage in a new confrontation. Manuel Ulloa, given his record and commitments, would not be acceptable as a standard-bearer for the entire party. Javier Arias Stella is more a statistician than a candidate with political sex appeal. Fernando Schwalb Lopez Aldana is unattractive, and appears older than he is.

Gaston Acurio is not charismatic, either, and Sandro Mariategui would turn in a miserable performance. Among the younger members, we have already mentioned the situation in which Jorge Trelles Montes finds himself; he is too young, though brilliant. And the same could be said of Luis Gonzales Cacho, because Eduardo Calnell del Solar has not proven to be up to the task. In short, at the level we are talking about, former President Belaunde is all alone, and he should even begin thinking about the disadvantages of that situation in the medium term.

*** Defense Minister on Intervention, Subversion**
33480129a Lima QUEHACER in Spanish Feb-Mar 89 pp 6-12

[Interview with General Enrique Lopez Albujar by unidentified reporter; date and place not given]

[Text] For some time now, persistent rumors of all kinds about the armed forces, in particular about the imminence of a coup in view of the serious crisis the country is undergoing, have been running rampant in political and press circles. At some point a date was even fixed. Although this rumor, the product of uncertainty and

credulity, has subsided in recent weeks, it has not disappeared entirely. Like the exchange rate on Ocona St., it could rise up again any time. In this interview, the defense minister, General Enrique Lopez Albujar, has kindly agreed to respond in our magazine to a whole series of questions regarding not only the coup issue, but also the state and problems in the battle against subversion. Here is the interview.

[QUEHACER] In an interview in the daily EXPRESO's issue of 1 January this year, Manuel Moreyra declared that "there has never been a case of a democratic country putting up with that level of inflation (referring to the annual rate of 22,000 percent that has been extrapolated from the current rate) without interruption for a year," and that "it would simply be interrupted. It can be interrupted by a coherent program, or by someone like Salinas, or by a victory by Sendero Luminoso in the second half of this year, or by a military coup, or by a national reconciliation cabinet." In these statements, the armed forces are cited as one possible factor in resolving the crisis outside the Constitution. What objective grounds could there be, in your opinion, for such assertions?

[Lopez Albujar] I don't see any grounds for these assertions. The armed forces are absolutely determined to stay within the constitutional order, as they have demonstrated since 1980. What I do see in that statement is an unjustified doubt as to the democratic vocation of the armed forces, and the idea that they can still be manipulated by political or economic forces in whatever direction suits their purposes. That is not the case, and I believe that the leaders of opinion and analysts of all types should already be convinced of this, because we have reached that democratic conviction autonomously, after years of experience in running the government. So there is no justification for the armed forces intervening again.

If everyone rejected the notion of a coup, if they stopped thinking in terms of immediate and miraculous solutions (which some people apparently think military intervention is), the country could work steadily toward resolving the grave crisis that has befallen it. Thus, I call upon all Peruvians to work within democracy, in concert, to emerge from this crisis. Coups will not solve our problems.

[QUEHACER] Do you think Sendero Luminoso has a chance to win, as was suggested in the statement cited earlier? If so, under what circumstances, and how can they be prevented?

[Lopez Albujar] There is no possibility of a Sendero Luminoso victory, not only because its objectives have not permeated the Peruvian population, but also because in order to win, the subversives would have to bring about the collapse of the armed forces, and there is not the slightest sign of that happening. As long as the branches of the military maintain the level of professionalism they have attained, Sendero Luminoso doesn't have the slightest chance of winning. This is so true that in the 8 years of the so-called "armed struggle" waged by Sendero, there has been no open confrontation between military units and the subversive elements; we have suffered a few ambushes—relatively few, although spectacular because of the excessive press coverage—and even they have not caused us any significant damage or undermined our ability to fight. These ambushes have been planned as mere "armed propaganda"; after pulling them off, Sendero has faded into the population precisely to avoid a direct confrontation. This is because Sendero does not yet have the strength to face a professional army like ours.

As for the circumstances under which Sendero might hope to win, it seems to me that the following can be mentioned, primarily:

1) the absence of a powerful enemy, that is, if the state has lost the possibility of using the armed forces for its defense, or if Sendero manages to organize an army that is as powerful as ours, and this is virtually impossible; and 2) if it manages to convince the Peruvian population that its program is right for the country, and this also is impossible because of its irrational strategy. This strategy runs counter to the interests of the poorest areas of the country by attacking their authorities and forcing the children and youths of these areas to participate in the atrocities of their "armed struggle," and forcing peasant communities to plant only for subsistence, thus condemning them to perpetual poverty.

To prevent these conditions, obviously we have to ensure the maintenance of the country's military capacity, the professionalism of the armed forces. We must also carry out an adequate propaganda campaign to make people see the irrationality of the subversives' objectives, the fact that they are not good for Peruvians. In addition, we must make real efforts to establish an effective legal system so that Peruvians will see that Sendero's terrorism and insanity are punished under the law, without hesitation.

[QUEHACER] One has the impression that terrorism has advanced in recent times, and also that this is due more to the inefficiency of the state than to positive and consistent victories by Sendero Luminoso. Is this assessment correct? What is your view?

[Lopez Albujar] I think it is partially correct, as the so-called "inefficiency of the state" very clearly derives from the difficult situation the country is going through. What is happening, in my view, is that because of this difficult situation, the state cannot face the threat adequately, while Sendero Luminoso, on the other hand, is taking advantage of these circumstances and making a certain amount of progress.

In other words, if the state could employ greater resources in the countersubversion struggle than it is employing at present, Sendero would be seriously hampered in its activities and would have less chance of

success. We are working, in any case, to achieve a greater capacity for response and to maintain the initiative, within the current limitations.

[QUEHACER] Well-informed sources comment that the armed forces do not even have enough provisions and funds to do their job in the emergency zones. Is this true? How is it possible to have reached this extreme, and what are the consequences for the countersubversion struggle?

[Lopez Albujar] It is true that we have difficulties, and that the funding we have received in the last year has been seriously eroded by inflation. So it is true that there are limitations in the countersubversion struggle, and this translates fundamentally into our inability to be more on the offense; I must point out, however, that we are fulfilling our mission, often with self-denial and sacrifice. Moreover, we have had to lower our expectations. In a situation like this, and in view of the aggressive attitude of the subversives, who won't stop at anything (even crime and genocide), the efficiency of the countersubversion struggle should be measured not only by the triumphs of the military and police forces, but also by the containment effort we are carrying out. In other words, if Sendero Luminoso does not progress any further, it is because the military and police forces, in spite of our limitations, have not let down our guard and are fulfilling our mission, even beyond our possibilities.

For this reason, I appeal to the citizenry and to the press to understand this situation and to avoid increasing the difficulties, which happens when the military and police forces are vilified, when their morality is called into question, and when human rights are used as a pretext to tie their hands. I don't want to say that all appeals to the fundamental rights of the individual are done for that purpose, but it is obvious that in many cases, doing so plays into the hands of the subversives. Remember that the countersubversion struggle is being waged with many difficulties, and that the men in uniform who are engaged in this struggle are forced to live in extreme austerity, with a very limited economic horizon that has a significant impact on their families.

[QUEHACER] Is it true, as certain analysts assert, that Sendero Luminoso has the run of the entire mountain region between the Huallaga and Puno, and that it is achieving its goal of creating the conditions for attempting to lay siege to Lima? If so, is it possible to reverse the trend that has so far favored Sendero?

[Lopez Albujar] This assertion is not true, because if Sendero could move around so easily, Lima would have been seriously threatened some time ago, because the subversives never rest, and they seize upon the slightest opportunity for advancement. The truth is that, despite the difficulties and the limitations faced by the military and police forces, we are not yielding any advantage, even though in the last few months we have not been able to exert greater control over the territory. For example, in the Alto Huallaga area, we have been controlling the situation with the intensive use of helicopters; but in the final months of last year, this method has been severely restricted. As a result, Sendero has been able to expand its sphere of influence with greater ease.

Consequently, the trend can be reversed by restoring the capabilities that the military and police forces have lost in recent months. But to think that Sendero could lay siege to Lima in the near future is to exaggerate its real possibilities; to do that it would need a real army, and we have seen that this will not be easy for it to accomplish. Under the present conditions, it cannot lay siege to the capital or any other important city in the country, because it is not strong enough. And the armed forces would not allow it, because to carry out such a major operation, they would have to show their faces, and this would enable us to destroy them totally.

[QUEHACER] When people talk about Sendero they mention almost exclusively its military actions: attacks, sieges, assaults, sabotage, etc. They often forget that Sendero has declared a political war on the state, in which military matters are subordinated to political matters, in which gaining a social base for its war is a key element of its strategy. Do you believe that the state has grasped this adequately, and that it is fighting back as it should?

[Lopez Albujar] In general, it is responding adequately, because Sendero is still basically a military phenomenon, and a military force can be countered by another military force. There is no other solution. This does not mean that it will not be important to employ another kind of resource, or that we are not using other kinds, but we must understand that in a conflict situation, priorities must be established for the use of the states' forces, in accordance with the type of threat that must be faced. There is no question that thus far in the countersubversion struggle, priority has been given necessarily to the military factor. I will repeat that Sendero has manifested itself primarily in military terms.

To demonstrate this point better, allow me to say this: If Sendero, maintaining the same objectives, were to renounce the armed struggle and try to establish the "popular republic of the new democracy" by attaining power in an electoral process, that response of the state and the democratic parties would have to give priority to the political sphere, rather than military repression. It should also be understood that the fact that the military is given priority in the use of state resources does not mean that the classic preeminence of political over military has been undermined; it simply means that the political authorities have decided, by virtue of their constitutional powers, to combat the threat by giving top priority to their military forces. The fact is that the use of military forces is not enough to defeat Sendero, and so far we have not been able to marshal all the nonmilitary

sectors adequately. We have a lot of ground to cover in education, mainly, and in terms of psychological operations at the government level. We are working on that.

[QUEHACER] Some say that the economic crisis is having a serious impact on the armed forces' ability to equip and re-equip themselves, and that this has caused tensions between the military and the current government. What can you tell us about that?

[Lopez Albujar] As my previous answers have already made clear, we are having difficulties in logistical and financial aspects, but that does not mean that there are tensions between the government and the armed forces. We have set no conditions whatsoever on the fulfillment of our mission, and we understand that the economic crisis is imposing limitations on the provision of resources. We do hope that as our greatest difficulties are resolved, the countersubversion struggle will receive greater attention from the government in terms of the logistical aspects.

[QUEHACER] The chairman of the Council of Ministers recently stated before the television cameras that whereas a janitor for a state enterprise earns 280,000 intis, a brigadier general earns only 112,000. This is, to say the least, a rather unusual statement. As defense minister, what is your view of this situation?

[Lopez Albujar] We have accepted this statement to the whole nation as an indication of the prime minister's deep concern, and we are grateful for it. For one thing, many Peruvians thought that we military officers lived in the best of worlds, with excellent and even excessive salaries. Now the country knows that is not so. And I firmly believe that it is not right for this situation to continue, not only for reasons of fairness, but also because the subversive threat could be dealt with more effectively if the morale of the military and police forces were strengthened. Don't think that the morale of the armed forces is based primarily on considerations related to the well-being of their members, because the truth is that many elements combine to influence and strengthen this important factor in military organizations. But it is clear that there can be no guarantee of a solid response to subversion if military personnel are anxious about the financial situation of their families, who are far from the combat zone. The matter becomes more serious if, as Mr Villanueva del Campo revealed, other Peruvians who face much less risk earn much more than military personnel.

The country's plight is difficult, but clearly we must try to close the gap and establish a system of salaries that is more balanced and fair. The armed forces do not desire or demand a situation of privilege, with the argument that they are bearing the brunt of the subversive assault; they merely want to be given what is fair, taking into account the country's difficult situation. We must understand, on the other hand, how hard it is now for the armed forces to recruit the young Peruvians it needs, as the best youths turn to other professions. They do not see a good future in the military, and thus the national defense will be seriously affected in the future.

[QUEHACER] Many think that the intensive purchase of weaponry leads only to higher military spending, with a balance of forces that tends to even out constantly, but at higher levels of sophistication. In this regard, isn't it possible for the armed forces of Latin America, particularly those of Peru, to begin talks that will lead effectively to a reduction of arms purchases and to cooperation rather than confrontation, at least potentially?

[Lopez Albujar] It is well known that Peru favors a policy of arms control, and we have taken the initiative of inviting Chile to talks on this matter. We must reach a regional agreement so that we can guarantee peace forever in South America. I am sure that our country will persist in this effort. That peace is a substantive condition for limiting the purchase of war materiel and allocating more economic resources to development programs.

[QUEHACER] With respect to the problem that has arisen with the lines for updating information on military registration booklets, the assertions range from a misunderstanding by the population of the information given, to totally deficient information. On the other hand, this requirement was eliminated only after the unfortunate loss of several lives, even though this situation had been criticized in the press for several days. Here it is appropriate to ask, What was the misunderstanding by the people, if there was one? Does the minister of defense believe that adequate and timely information was provided, and that the officials responsible for this matter acted with the diligence required by the situation of the daily lines?

[Lopez Albujar] In this matter, not only were there misunderstandings, but also regrettable errors. Mainly there was an error in the information provided to the press—I repeat, to the press—all of which is being investigated by the army. So I would prefer to wait for the results of that investigation before making a statement on the matter.

[QUEHACER] The Defense Ministry was announced as a qualitative change in the management of national defense and in the relations between the armed forces and the government. Has this materialized? What are the benefits the Defense Ministry has yielded in practical terms, in comparison with its three predecessors?

[Lopez Albujar] The Defense Ministry is relatively new, so the benefits of unifying the three previous ministries are already a very positive reality. We are striving to standardize procedures in the armed forces; we have more clearly defined the legal framework in which the institutions of national defense operate; and without a doubt, the government's relations with these institutions are more fluid now than they were before the Defense

Ministry was created. I am certain that within a relatively short period of time, truly important achievements will be made to the benefit of the national defense.

[Box, p 10] General Enrique Lopez Albujar

Recipient of the Sword of Honor in the Class of Colonel Justo Arias Araguez, Army General Enrique Lopez Albujar Trint, former general commander of the Army, is the head of the Defense Ministry today. General Lopez Albujar has a brilliant military record. He has distinguished himself academically not only in Peru, but also in Panama (Cusarcaribe School), in the United States (Fort Knox), and in Great Britain (Camperly School of Command and General Staff). A graduate of the Center of Advanced Military Studies (CAEM), he has also taught in the area of cavalry.

In addition to his military experience and training, he has political experience. In 1976, then a colonel, he was named to the Advisory Committee of the Presidency (COAP) when General Morales Bermudez was president. He also served as secretary of the High Level Commission that developed the Tupac Amaru Plan and the strategy for transferring power to a constitutional government.

General Lopez Albujar is highly regarded in his branch of the military, and as a minister of state (the first to head the Defense Ministry), he has also established a reputation for careful reasoning and efficiency.

Senator Views Shining Path Activities in Europe

PY0504175989 Lima LA REPUBLIC in Spanish 28 Mar 89 p 9

[Excerpt] United Left (IU) Senator Enrique Bernales yesterday reported that a Shining Path office headed by Maximiliano Durand is operating in Paris. Durand is responsible for promotion and propaganda activities for this subversive group, he said.

Senator Bernales said tht Durand and his aides conduct their propaganda campaign in several European capitals, where many uninformed people believed that a real peasant revolution is under way in Peru.

If two French collaborators had not been killed, Senator Bernales said, the French press would not have been questioning the subversive group's activities.

Maximilano Durand is a mathematician and physicist who worked in Ayacucho. After getting involved in various terrorist activities, he escaped arrest in 1981 and left the country.

Durand is a relative of Osman Morote, the Shining Path leader who was detained last year in Lima on his way from La Libertad Hill.

In Paris, Durand works as a consultant for a private company engaged in producing and storing solar energy. Durand also works for French Government organizations as an adviser on nuclear energy.

Senator Bernales said that Durand conducts pro-Shining Path proselytizing campaigns at universities and Latin American centers, where he tries to convince people of the worthiness of the revolutionary goals of subversive groups, especially the one headed by Abimael Guzman.

Bernales said the Peruvian Government must do more than simply publish paid advertisements in the European press. It must sponsor lectures and open debates at universities and other centers that may influence public opinion and explain what terrorism is really like. [passage omitted]

Shining Path Guerrillas Kill Peasant Leader

PY0504141989 Madrid EFE in Spanish 0536 GMT 5 Apr 89

[Text] Lima, 4 Apr (EFE)—Police have reported that alleged members of the Shining Path terrorist group today killed a peasant leader in Canete Province, 149 km south of Lima.

According to sources, Eusebio Pomallacta, chairman of the Canete Peasant Association, was killed while registering peasants for a land distribution program in Conconto Para community, in the highlands of Canete province.

Pomallacta was going to participate in a National Settlers Association demonstration in Canete tonight. The demonstration was suspended when Pomallacta's death became known.

Terrorists Attack Downtown Lima Premises

PY0404203989 Lima Television Peruana in Spanish 1800 GMT 4 Apr 89

[Text] This morning terrorists attacked several business premises, seriously wounding two people and causing considerable material damage. A noodle factory, a shoe store, and a bank branch were attacked.

At 0630 this morning terrorists threw sticks of dynamite at the main door of the Nicolini Hermanos factory, on the second block of Argentine Avenue. The explosion seriously wounded guards Helio Gerruero Vazquez and Luis Hernandez Barrientos. They were taken to the Arzobispo Loaiza Hospital.

A few minutes later terrorists attacked a shoe store in Castilla Park. About the same time a branch of the Banco de Credito, also located on the second block of Argentine Avenue, was attacked.

The police challenged the terrorists as they were painting a bus, but the terrorists escaped along the Rimac River.

Terrorists Attack Police Post in Cajacay

PY0404030489 Lima Television Peruana in Spanish 0100 GMT 4 Apr 89

[Excerpt] (Eliosar Padilla), 60, lieutenant governor of Cajacay, and Julian Campoblanco, secretary, 65, were murdered early this morning by terrorists in an attack on the local police station. Three policemen were wounded. Cajacay is a district of Bolognesi Province, Ancash Department.

[Begin recording] [Reporter] Early this morning, at 1340, subversives attacked the police station in Cajacay, Ancash Department. The lieutenant governor and another individual were murdered. Three wounded policemen were taken to Huaral. [passage omitted] [end recording]

Justice Minister on Publicizing 'Atrocities'

PY0404131389 Lima Domestic Service in Spanish 1040 GMT 4 Apr 89

[Text] Justice Minister Cesar Barreto Delgado has said that every Peruvian who goes abroad, particularly government officials or politicians, has the responsibility of informing people abroad that the Shining Path and the MRTA [Tupac Amaru Revolutionary Movement] are totalitarian and fascist movements that violate the most basic human rights.

He also said that the Peruvian Foreign Ministry should continue the work it began in Geneva, where the Peruvian delegation did an excellent job. He said that it is necessary to send all foreign governments an aide-memoire clearly stating the atrocities and criminal actions committed by these terrorist movements.

The minister also reported the deaths of several terrorists who were hospitalized after a clash between Shining Path and MRTA members. However, he did not reveal where the clash took place.

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